

TOKIO MARINE



*Tokio Marine Group
Corporate Social Responsibility Report 2008*



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Editorial Policy

- This Report is intended to report in an easy-to-understand manner to all stakeholders on matters such as the Tokio Marine Group's efforts during FY2007 and the details and results of its primary efforts.
- Topics on which the Tokio Marine Group should focus its efforts are described under "Key Issues Faced by the Tokio Marine Group."
- This Report consists of special features, management system, descriptions of efforts aimed at each stakeholder, and an environmental report. Each chapter of this Report covers the Tokio Marine Group's efforts in the relevant fields as well as the concepts and approaches behind such efforts.
- To the extent possible, this Report reflects views and opinions received from stakeholders.
- As in the previous fiscal year, this Report has been edited with a focus on employees and agents. In addition, this Report gives consideration to explaining efforts on a groupwide basis, including efforts made overseas.
- The content included in this Report has been selected according to the degree of the importance of approaches made, instead of being comprehensive. Information on matters that could not be covered in this Report will be released via other media, including financial statements and the Group's website.

* Links to Tokio Marine Holdings financial statements and website:

- Web** <http://www.tokiomarinehd.com/en/index.html>
(website)
- <http://ir.tokiomarinehd.com/en/AnnualReport.html>
(financial statements)

Guidelines referred to in preparing this Report:

- Global Reporting Initiative (GRI) "Sustainability Reporting Guidelines 2006"
- Web** "Tokio Marine Holdings" Comparative table on GRI guidelines
- United Nations Global Compact "Guidelines for Communication on Progress (COPs)"

Scope of this Report:

● Organizations Covered in This Report

Fundamentally, this Report covers Tokio Marine Holdings*1 and the key Group member companies in Japan*2 and overseas. It also reports on some activities of other Group member companies.

*1 Millea Holdings, Inc. changed its name to Tokio Marine Holdings, Inc. on July 1, 2008.

*2 Tokio Marine & Nichido, Nisshin Fire, Tokio Marine & Nichido Life, Tokio, Marine & Nichido Financial Life, Tokio Marine Property Investment Management, Tokio Marine & Nichido Career Service, Tokio Marine & Nichido Facilities, Tokio Marine & Nichido Medical Service, Tokio Marine & Nichido Anshin Consulting, and Tokio Marine & Nichido Risk Consulting

● Reporting period:

Basically this Report covers the details of activities conducted during the fiscal year 2007 (April 2007 - March 2008), but for the purpose of making pictures clearer it refers also to some activities during other periods.

Dates of publication

(Month/Year)

Edition	in Japanese	in English
Previous edition:	09/07	11/07
This edition:	09/08	11/08
Next edition (scheduled):	09/09	11/09

Tokio Marine Group Corporate Philosophy

The Tokio Marine Group is committed to the continuous enhancement of corporate value, with customer trust at the base of all of its customers.

- By providing customers with the highest quality products and services, we will spread safety and security to all around us.
- For fulfilling our responsibility to shareholders, we will pursue global development of sound, growing and profitable businesses.
- For promoting the creativity of each and every employee, we will foster a corporate culture that encourages free and open communications.
- While demonstrating responsible management as a good corporate citizen, we will make a positive contribution to society.

Business Domains of the Tokio Marine Group

General Businesses

[Risk consulting business]

- Tokio Marine & Nichido Risk Consulting Co., Ltd.

[Comprehensive personal services business]

- Tokio Marine & Nichido Career Service Co., Ltd.

[Facility management business]

- Tokio Marine & Nichido Facilities, Inc.

[Total healthcare consulting/
Senior citizen-related business]

- Tokio Marine & Nichido Medical Service Co., Ltd.
- Tokio Marine Nichido Samuel Co., Ltd.

[Assistance business]

- Millea Mondial Co., Ltd.

[Insurance agent business]

- Tokio Marine & Nichido Anshin Consulting Co., Ltd.

To respond to the diversifying risks faced by individuals and businesses, such as the effects of technological innovations in society, globalization, and the aging of society with low birth rates, the Tokio Marine Group provides a range of solutions backed by its accumulated experience and expertise in the insurance business, including risk consulting services and senior healthcare services.

Domestic Nonlife Insurance Business

- Tokio Marine & Nichido Fire Insurance Co., Ltd.
- Nisshin Fire & Marine Insurance Co., Ltd.
- Millea Nihon Kosei SS Insurance Co., Ltd.

This is the Group's core business area. Tokio Marine & Nichido provides corporate clients and consumers with property and casualty insurance such as automobile insurance, fire insurance, and liability insurance backed by its sound financial foundation, excellent product-development capabilities and claim service structure, and consulting services suited to the needs of each individual client made possible through its superior network of agents. In addition, Nisshin Fire, specialized in the retail field, operates business centered on a range of insurance policies targeted at consumers.

Domestic Life Insurance Business

- Tokio Marine & Nichido Life Insurance Co., Ltd.
- Tokio Marine & Nichido Financial Life Insurance Co., Ltd.

Tokio Marine & Nichido Life provides life insurance which enables consumer households to respond to cases of illness or injury and company managers to ensure business continuity, in addition to advanced insurance products and services including disease prevention and psychological support for patients undergoing treatment. Tokio Marine & Nichido Financial Life supports its clients in the areas of asset formation to ensure they can live comfortably, through providing variable annuities insurance and variable insurance.



Financial Businesses

[Investment advisory and investment trust services] ● Tokio Marine Asset Management Co., Ltd.

[Private equity investment services] ● Tokio Marine Capital Co., Ltd.

[Derivatives and securities services] ● Tokio Marine Financial Solutions Ltd.

[Real estate investment advisory services] ● Tokio Marine Property Investment Management, Inc.

Based on the asset-management capabilities it has built up over the years as an institutional investor, the Tokio Marine Group carries out a wide range of financing operations in areas such as investment advisory services (for corporate pensions and investment trusts), raising funds, asset management (including buyout investments), and real estate investment advisory services.

Overseas Insurance Businesses

● Tokio Marine Management, Inc (United States)

● Kiln Group (United Kingdom)

● Tokio Millennium Re (Bermuda)
and others

The Tokio Marine Group operates insurance businesses around the world, suited to the diverse needs of Japanese companies expanding overseas and its customers traveling overseas. It also provides nonlife insurance, life insurance, and Takafu services locally in the markets of Asia, the BRICs nations (Brazil, Russia, India, and China), and Europe and North America, through participation in the management of local insurers in such markets and the establishment of overseas subsidiaries.

Overview of the Businesses of the Tokio Marine Group

The Tokio Marine Group's global network

(Figures current as of July 1, 2008)

● ...Overseas Offices in each country

»» Overseas Offices: located in 303 cities in 36 countries and regions

North America: The United States, Canada, and Bermuda

Central & South America: Mexico, Brazil, and Paraguay

Europe: The United Kingdom, France, Germany, the Netherlands, Belgium, Italy, Spain, Ireland, Norway, Denmark, and Greece

Eurasia: Russia

Middle & Near East: The United Arab Emirates, Saudi Arabia, Bahrain, and Turkey

Oceania & Micronesia: Australia, New Zealand, Guam, and the Commonwealth of the Northern Mariana Islands

Asia: China (Mainland), Hong Kong, Taiwan, Korea, the Philippines, Vietnam, Thailand, Malaysia, Singapore, Brunei, Indonesia, and India



Tokio Marine Holdings, Inc.

Established in April 2002 as Japan's first insurance-holding company, with both Tokio Marine and Nichido Fire as subsidiaries, Tokio Marine Holdings handles aspects of management of the group member companies, such as planning management strategies for the Tokio Marine Group as a whole and implementing capital policies and consolidated settlement of accounts, and, as the listed company, handles investor relations and public relations for the group.

Company overview

Name:	Tokio Marine Holdings, Inc.
President / CEO:	Shuzo Sumi
Address:	Tokio Marine Nichido Building Shinkan, 1-2-1 Marunouchi, Chiyoda-ku, Tokyo, Japan
Date established:	April 2, 2002
Capital:	150 billion yen
Shares listed on:	Tokyo Stock Exchange (First Section), Osaka Securities Exchange (First Section)
Numbers of employees:	24,959 (consolidated)

Major indicators of business performance (consolidated)

Consolidated fiscal year	2005	2006	2007
Ordinary income (billion yen)	3,399.9	4,218.5	3,710.0
Net premiums written (billion yen)	1,978.6	2,148.6	2,245.1
Life-insurance premiums written (billion yen)	766.8	1,387.9	788.3
Ordinary profit (billion yen)	136.5	168.0	179.0
Current net income (billion yen)	89.9	93.0	108.7
Total assets (billion yen)	14,260.0	17,226.9	17,283.2
Capital ratio (%)	22.5	19.7	14.9

Breakdown of income by business sectors/Group member companies (based on FY2007 adjusted earnings*1) (billion yen)

Business domain	Group member company	FY2007 performance	Subtotal
Domestic nonlife insurance business	Tokio Marine & Nichido	100.2	99.4
	Nisshin Fire	(0.8)	
Domestic life insurance business	Tokio Marine & Nichido Life Insurance	29.1	15.1
	Tokio Marine & Nichido Financial Life Insurance	(14.4)	
	Other	0.4	
Overseas insurance business	Direct insurance company (Asia)	5.7	29.7 ²
	Direct insurance company (other than Asia)	11.1	
	Reinsurance	16.5	
Financial and other businesses	—	(1.0)	(1.0)
Group total		143.2	

*2 Costs not assessed in each country or region are not included in the subtotal for overseas insurance business.

*1 Definition of Adjusted Earnings:

- (1) **Nonlife insurance business:** Adjusted earnings = Net income + Provision for catastrophe reserves + Provision for price fluctuation reserves – Gains (losses) from assets under asset liability management and interest rate swaps – Gains (losses) from stocks and properties – Other extraordinary items (all figures after tax)
- (2) **Life insurance business:** Adjusted earnings = Increase in embedded value – Capital injections (for some life insurance companies, such as those in Brazil, adjusted earnings is calculated on the same basis as Other businesses below, with corporate expenses excluded from earnings)
- (3) **Other businesses:** Adjusted earnings = net income as shown on the financial statements



Tokio Marine & Nichido Fire Insurance Co.,Ltd.

The company made a new start in October 2004 as a leading company in Japan's nonlife insurance industry, formed through the merger of Tokio Marine and Nichido Fire. It has unrivalled strengths in the areas of product and service development and risk consulting, backed by its sound financial constitution and high levels of specialized expertise, and in its superior network of agents, its claims service network, and its worldwide network.

Area of business: Nonlife insurance;
 Founded: 1879; Capital: 101.9 billion yen
 URL: <http://www.tokiomarine-nichido.co.jp/english/index.html>



Nisshin Fire & Marine Insurance Co., Ltd.

In September 2006, the company became a wholly-owned subsidiary of Tokio Marine Holdings. With an emphasis on the retail field in the Japanese nonlife insurance market, it is a nonlife insurer that carries out marketing activities rooted firmly in the communities it serves. Working together with agents to respond to its customers' diverse insurance needs with attention to details, it seeks to be the retail nonlife insurer to which customers feel the closest and in which they have full trust.

Area of business: Nonlife insurance;
 Founded: 1908; Capital: 20.3 billion yen
 URL: <http://www.nisshinfire.co.jp/> (in Japanese)



Tokio Marine & Nichido Life Insurance Co.,Ltd.

The company plays a central role in the domestic life insurance business – one of the core businesses of the Tokio Marine Group. It seeks to be the "insurer most trusted by customers and agents in Japan," by responding appropriately to customers' diversifying needs and working to implement further innovations in its business model, in a spirit of "inaugurating insurance business all over again."

Area of business: Life insurance;
 Founded: 1996; Capital: 55 billion yen
 URL: <http://www.tmn-anshin.co.jp/> (in Japanese)



Tokio Marine & Nichido Financial Life Insurance Co.,Ltd.

As a wholly-owned subsidiary of the Tokio Marine Group since February 2004, the company plays an important part in the Tokio Marine Group as a life insurance company specialized in variable annuities, in cooperation with other insurers in the Tokio Marine Group. It provides products such as variable annuities insurance and variable insurance suited to its customers' needs as well as customer service with high levels of added value.

Area of business: Life insurance;
 Founded: 1996; Capital: 48 billion yen
 URL: <http://www.tmn-financial.co.jp/> (in Japanese)

We Shall Contribute to the Realization of a Sustainable Society



The Tokio Marine Group seeks to meet our corporate social responsibilities by, as set forth in the "Tokio Marine Group Corporate Philosophy," emphasizing "customer trust at the base of all activities" and through strict compliance to this in all aspects of our businesses.

■ Responsibilities as an Insurance Company: Toward Regaining Customer Trust

The Tokio Marine Group is a group of companies centered on the insurance business, a business that is of a highly public nature in that it provides "Safety and Security" to society. The Tokio Marine Group attaches overriding importance to "becoming indispensable to society by making contributions to society through the insurance business. Tokio Marine & Nichido and Nisshin Fire, two of our domestic insurance businesses, received administrative orders in connection with various improper nonpayment of insurance claims in March 2007. The Tokio Marine Group is committed to improving and supporting the management of claim payments and to confirming, and revising when necessary, the details of insurance policies so as to ensure proper business operations.

The Tokio Marine Group would like to offer our sincerest apologies to our customers and any related parties that were affected by these incidents in our domestic insurance business. In accordance with our commitment to preventing a recurrence of such incidents and to regaining customer trust, Tokio Marine Holdings will manage all subsidiaries more attentively, by fully

monitoring all subsidiaries and by assessing the improvement progress of all subsidiaries in a timely manner.

■ By Working to Prevent Climate Change and Global Warming

The problems of climate change and global warming have become increasingly severe day by day, and may lead not just to phenomena such as rising temperatures, heavy rainfall, and drought around the world but also to effects on the social and living infrastructure, such as supplies of water and food. The Tokio Marine Group recognizes this as an issue that requires the proactive action of our own as corporate citizens.

In addition to efforts underway by the individual Group member companies around the world to reduce an environmental impact caused by their business activities, the Tokio Marine Group, in particular, Tokio Marine & Nichido and the Tokio Marine Research Institute conduct researches into risks, as well as the study and development of products and services, to respond to the risks of climate change. These efforts include the formulation by Tokio Marine & Nichido of an "Comprehensive Program on Global Warming" in November 2007, and its establishment of the goal for FY2012 of reducing carbon-dioxide emissions from its business activities by 6% from the level in FY2006. Through these and other efforts, the Group has enforced its efforts toward the mitigation of and adaptation to climate change in a wide range of business fields.

■ By Seeking to Live in Harmony with Local Communities and Societies

The Tokio Marine Group regards its social contribution activities undertaken around the world as its important responsibility as a company. In addition to these activities conducted as a company, it also supports independent participation by employees of the Group member companies in their own social contribution activities, including "Green Lessons: The Mangrove Story," an environmental education program intended to educate elementary-school children across Japan, and the "Pink-ribbon Campaign," a drive to eradicate breast cancer.

The Tokio Marine Group considers its own corporate value to be the sum total of the value it provides to all stakeholders – its customers, shareholders, agents, employees, and local communities and societies at large – through activities such as these, and it intends to increase this corporate value while also contributing to the realization of a sustainable society.



Shuzo Sumi

President & Chief Executive Officer
Tokio Marine Holdings, Inc.



To reflect voices from outside the company in its CSR efforts, Tokio Marine & Nichido holds "CSR Dialogs" to which it invites experts from various fields.

In the 3rd CSR Dialog we made a concentrated discussion on "the thoroughness of appropriate business operations" which continues to be the most important topic of management since last year, and received opinions and suggestions on individual important themes such as "response to climate change/global warming," "promoting diversity*1," and "activities to contribute to local communities and societies."

Ensuring the Appropriateness of Business Operations

The Tokio Marine Group found itself in a situation resulting to the loss of trust from customers and in society due to inappropriate handling in the sale of insurance business and payment of insurance claims. To regain trust from its customers and in society, the Group has been advancing initiatives to ensure the appropriateness of business operations through the Quality Improvement Committee. (p.11)

Opinions from the attendees (●) and responses from Tokio Marine & Nichido (●)

● In order to regain trust, I think it is essential to start by considering the volume and content of clauses that would be understandable and acceptable to customers, employees, and agents. The mere pursuit of clauses, which are easier to understand, could lead to an increase in volume, which might have the unintended effect of discouraging customers from reading their policies, as well as of giving a greater impact on the environment by increasing the amount of paper used.

Taking these possibilities into consideration, you will become aware of the need to review the commercial values of your products themselves per se before revising insurance clauses. I would suggest that you should make this kind of approach with the sense of urgency, by making efforts to realize a shift toward simpler products and clauses. (Nobuko Takahashi)

● From customers' viewpoints, we have been making an overall review of our products by simplifying and standardizing them and making them more user-friendly and easier to understand, through the efforts of enlarging their font sizes and using illustrations, explanatory notes, and mathematical formulas. In addition, we have begun efforts to provide insurance clauses to customers in an easier-to-understand manner, by displaying our products in graphics as much as possible on the Internet, without using paper.

● In the area of the training of employees and agents, I would expect that you, the leading company in the industry, will adopt systems to be best practices, although I believe that revisions of qualification systems common to the industry are underway. Doing

Attendees (Listed in Japanese Kana Order)



Then Manager,
HR Operations,
IBM Japan, Ltd.

Nami Ohtsuka



Professor, Graduate School
Economic Research Department,
University of Tokyo

Nobuo Takahashi



Lifestyle Economy Journalist

Nobuko Takahashi



Chairperson,
Japan Philanthropic Association

Yoko Takahashi



Chief Executive,
E-Square Inc.

Peter David Pedersen



Professor, Graduate School
Global Environmental Studies
Department,
Sophia University

Yoshihiro Fujii

*1 Diversity: This refers to building up a workplace in which all employees together can demonstrate their abilities to the maximum extent, regardless of gender, nationality, disability and others.

so will lead not only to earning trust in society but also to invigorating the industry, thus enabling you to fulfill your social responsibility. (Nobuko Takahashi)

● Our new training curriculum, now under development, encompasses subjects from the knowledge of products through practical matters such as customer services, seeking to reach an even higher level than the previous curriculum which includes tests for property and casualty insurance sales personnel. At the same time, it aims to raise the bar for sales personnel through careful efforts including tests and the administration of training given to individual sales personnel. We are going to improve our training system through these efforts.

We have established the "Safety Quality Standard" as the quality standard for the products and services we provide to customers, and we have been making thorough efforts to secure quality levels that meet the expectations of "all customers at all times and in all places."

● I think it is important to look into how deeply the idea of providing "Safety Quality Standard" has taken root among your employees and agents. By following up the matter to the extent of whether the company has truly changed or whether the behavior of employees themselves has changed, you will be able to tell whether this concept has truly permeated through the organization. (Nami Ohtsuka)

● In formulating the "Safety Quality Standard," we collected the opinions of about 5,000 employees active on the front lines of sales and claims processing and also of agents, and following the establishment of this standard we set up the system of self evaluation and independent evaluation of the degree of achievement of the standard. We consider it very important to make steady efforts to achieve this standard, which have just begun, in order to spread the concept throughout all our employees and agents, although it may take some time before it is realized.

● In your opinion, what are the true causes for a series of problems that occurred? (Nobuo Takahashi)

● We consider that those problems arose from a variety of causes, such as the structure that focused too much on sales, a relative decline in the quality of business as products became more complex and the corporate culture itself. Also, we believe that the lack of quality standards for the products and services we provide to our customers was another major cause of these incidents. The "Safety Quality Standard" was born from our self-examination of these facts, and we have made it our most important issue for the current year to ensure the thorough recognition of the standard among all our employees and agents.

Taking on the Challenge of Responding to Climate Change/Global Warming

We believe that responding to climate change and global warming is a matter that concerns the core of insurance-company management. At the same time, we also consider this a very important subject related to our responsibility for the next generations: our children and grandchildren. In November of last year, we established an "Comprehensive Program on Global Warming" as an initiative to tackle global warming by making researches into the related risks and providing eco-friendly products and services.

● The issue of global warming affects the insurance business itself in ways such as increasing claims paid on natural disasters as climate change becomes intensified. For this reason, how you incorporate the perspectives of concern for the environment in areas such as product development and investment and financing is very important. As the leading company in the insurance industry, and as a global enterprise, you need to take the lead, over a large number of businesses that have needs for insurance, in being prepared for the risks of global warming. I believe you can give your customers greater peace of mind by taking the lead in proceeding with such efforts before any damage from global warming becomes a reality.

(Yoshihiro Fujii)

● In this program, I think it will become important for you to take, as the next step, initiatives symbolic of an insurance company, by proposing roadmaps and commitments of what you are going to do, including the timetable. There are good examples in Europe and North America where insurers have begun accepting business related to alternative energy, Clean Development Mechanisms*2, and emissions trading business and providing related insurance and consulting services. They have established specific numerical targets which you can depend upon as good benchmarks. (Peter D. Pedersen)

● It is our intention to go deeper, within the framework of this program, into the individual initiatives, implement them and upgrade them over the medium term. As part of this process, we intend to establish roadmaps, commitments, and symbolic initiatives.

We began a "mangrove afforestation project" in 1999. In this program, once or twice each year we hold volunteer tours for our employees, agents, their families, and others, providing opportunities for them not only to plant mangroves but also to learn about the environment and take part in international cultural exchange.

● I have a feeling that such activities continue to encounter pros and cons from outside the company. I would suggest that you make a reassessment of the project within the company and send your clear

*2 Clean Development Mechanism (CDM): This is one of the Kyoto mechanism (flexible mechanisms) for supplementing efforts to reduce emissions of greenhouse gases as designed in the Kyoto Protocol. It is a system under which developed countries and developing countries can work together to reduce emissions of greenhouse gases through projects conducted in developing countries, with some of the results being credited to the reduction of greenhouse gases by the developed nations.

messages to the outside world. (Nobuko Takahashi)

● Our mangrove afforestation project not only contributes to the protection of the environment but also has a major spillover effect of raising environmental awareness and providing an economic aid in extremely impoverished regions. In addition, the employees and agents who participated in the project have experienced distinct changes in their senses of value; for example, some began proactive activities to protect the environment and contribute to society in their respective communities. Last year we made the declaration of continuing this project for 100 years, and shall continue to convey our "spirits" in an effective way.

Promoting Diversity

To develop an environment in which diverse values are respected and in which it is easy for people to work, we have been making efforts such as promoting further normalization in the workplace, increasing opportunities for female employees to be active, firmly implementing various systems to support a good work/life balance, and creating an environment in which it is easy to use such programs.

● While I understand that the number of female managers in the company has increased steadily, it would be easier for you to proceed with the matter if you had numerical targets and roadmaps. (Nami Ohtsuka)

● In our view, it would be more important to develop the capabilities of female employees steadily and give them responsibilities which will help them to become managers, rather than setting such numerical targets.

● I think the issue of a good work/life balance is not one which affects women only but one which should be taken up together with changes in the style of men's work and in their awareness of the situation. To achieve a good work/life balance, it would be necessary to change the way men work by introducing, for example, childcare leave and working at home. (Peter D. Pedersen)

● Now male employees can now take childcare leave, and the number of such cases has gradually increased. The system has just taken shape and we are considering establishing a new system for working at home, and are now elaborating on details.

● The working hours of global enterprises are 24 hours/day, 365 days/year across a wide range of time zones. To do business with people working in such organizations, I think it is essential for survival to make proactive efforts to keep a good work/life balance. (Nami Ohtsuka)

● I think the objective of efforts for diversity is to achieve society in which nobody is excluded. I would like the company to convey its message explicitly to outside people and make efforts to achieve its goal while improving the "Human Power" of all employees through communicating the message to them as well. (Yoko Takahashi)

● We have been working to build up a workplace in which motivated and capable employees can demonstrate their abilities to the full regardless of attributes such as gender, nationality, and age. In seeking to be a global company as well, we would like to proceed speedily with the employment of women, elderly people, foreigners and the disabled, in hopes of attaining good results.



Activities to Contribute to Local Communities and Societies

In the 3 key areas of "protection of the global environment," "safety and security," and "the growth of young people," we have been carrying out activities to contribute to local communities and societies, deeply rooted in our local communities, in collaboration with nonprofit organizations and nongovernmental organizations in various parts of the world.

● I think it will be easier for employees to understand the company's intentions if it shows them urgent issues in society together with guidelines for addressing them. In addition, I would very much like you to proceed with your initiatives by including in them a perspective on how you are going to develop nonprofit organization of more than 33,000 around the world, as the sector to work with you. (Yoko Takahashi)

● The principle of social contributions is based on the efforts that companies and employees make on a voluntary basis. An independent will to take part in social contribution activities is born in a workplace where people are confident of their work and feel fulfilled in their day-to-day work. The degree of social contributions made in conjunction with the fulfillment of social responsibility in the core business of a company may be regarded as an index by which

we can determine the extent to which CSR rooted in the company. (Yoshihiro Fujii)

● We would like to build up a system in which, under the initiative of the directors and general managers, all employees feel easy to participate, while making clear what we can do in the areas of "protection of the global environment" and "safety and security," which are related deeply to our core business of insurance. Also, it is our intention to continue strengthening our ties to nonprofit organizations and nongovernmental organizations.



Attendees from Tokio Marine & Nichido (their positions and organizations being as of the time of the CSR Dialog)

Shuzo Sumi,
President & Chief Executive Officer

Takaaki Tamai,
Member of the Board, Managing Director

Michio Nishizawa,
General Manager, Quality Management Dept.

Yoshihide Sakamoto,
General Manager, Voice of Customers Dept.

Iwao Kimura,
General Manager, Corporate Planning Dept.

Yoshiaki Suzuki,
General Manager, Personnel Planning Dept.

Hiroyuki Watabiki,
General Manager, Corporate Communications Dept.

Toshifumi Kitazawa,
General Manager, Personal Lines Underwriting Dept.

Shozo Mori,
General Manager, Commercial Lines Underwriting Dept.

Masao Uehara,
General Manager, Corporate Marketing & Planning Dept.

Naoto Ikeda,
Director/General Manager, Claims Management Dept.

Mitsuru Muraki, General Manager, Corporate Planning Dept./General Manager, CSR Section (Chair of the Dialog)

▶ Response to Opinions Obtained in the CSR Dialog

I believe that in this CSR Dialog we have been able to give the experts in attendance the impression of how seriously we have been working to carry out our CSR activities across a wide range of areas. In the future, I believe we will need to raise the level of our CSR management, by strengthening our efforts through making commitments as a company, developing key performance indicators (KPIs) for our activities, creating relevant roadmaps, and adopting an approach that strengthens a follow-up of these efforts.

Also, I think the greatest value of this kind of dialog

is the way it ensures the evaluation of our CSR activities from objective points of view from outside the company. We once again have recognized the importance of having our own CSR activities reviewed from outsiders' points of view.

With regard to "efforts to ensure the appropriateness of business operations" as well, which is an important issue we face at the present time, we intend to act in all sincerity and to the best of our wisdom, based on the opinions we received today.



Takaaki Tamai,
Member of the Board,
Managing Director,
Tokio Marine & Nichido

● Key Issues Faced by the Tokio Marine Group

Recently, we find ourselves face to face with problems that must be resolved in order to realize a sustainable development, including global warming which is regarded as the greatest risk ever faced by all humankind and the declining birthrate and aging population in Japan.

Through its insurance business, the Tokio Marine Group has contributed for years to the development of society by providing it with "safety and security." In addition, by making the most of the knowledge and experience accumulated in the insurance business, the Group has expanded its business domains to include such kinds of business as financial and risk-consulting services, healthcare services and others.

Under the circumstances where risks faced by individuals and companies in a modern society are increasingly diverse every day, we are fully aware of the growing importance of the role and responsibility of a business group centered on insurance which has the mission of "protecting companies and households from risks surrounding them."

At the Tokio Marine Group, we have identified that the issues of primary importance are "an improvement in the quality of insurance business operations" and "a response to climate change/global warming" in accordance with the processes mentioned below. This report covers our initiatives to cope with these issues in "Special Feature 1: Initiatives to Ensure the Appropriateness of Business Operations and Regaining of Trust" (p.11) and "Special Feature 2: Taking on the Challenge of Climate Change" (pp.12-13).

Processes to Identify Key Issues

In promoting CSR activities, we have grasped the situation surrounding us by such means as "customer comments," "dialog with employees and agents" (pp.30-35), "feedback from socially responsible investment rating agencies and others" (p.29), and "dialog with external experts" (pp.6-9), all of which have been carried out in the key member companies of the Tokio Marine Group.

We also have identified the key issues by taking into account social issues and effect on the economy, environment and society for the realization of a sustainable society.

Key Issues Faced by the Tokio Marine Group

● Improvement in the Quality of Insurance Business Operations

It is very important to pursue the "quality" of products and services in order to respond to customers' expectations.

We are determined to do all we can to gain customer trust by recognizing the importance of returning to the basics of an insurance company in the supply of easy-to-understand products to customers and the appropriate payment of claims, reviewing our business process in "the explanation of our products to customers," "the development of products" and "the payment of claims including administrative and system support," and advancing qualitative business management to the extreme.

● Response to Climate Change/Global Warming

We recognize the fact that climate change and global warming are serious problems and risks common to all the humankind which may cause a major impact on our future generations and that success or failure in our response to those problems will give a most significant effect to insurance, the core business of the Tokio Marine Group.

As insurers it is our intention to do whatever possible to resolve the problem of global warming by not only fulfilling our role and responsibility for prevention of global warming but also taking an initiative to reduce an environmental impact caused by our own business activities and providing relevant information to society.

Initiatives to Ensure the Appropriateness of Business Operations and Regaining of Trust

Tokio Marine & Nichido and Nisshin Fire have been making efforts to establish appropriate business operations in the areas of governance, the administration of claims payment and the verification and correction of insurance contracts, as most important issues based on the business improvement plans submitted in April 2007 to the Financial Services agency of Japan.

Business Improvement Plans

Tokio Marine & Nichido and Nisshin Fire have been making unceasing efforts to review their operations related to the sale of insurance products and payment of claims and have taken companywide initiatives to establish appropriate business operations. Generally speaking, the improvement measures mentioned in the business improvement plans have been under way as scheduled. We are going to make improvements more effective by continuous efforts based on the plan-do-check-act (PDCA) cycle.

■ Business Improvement Plans (Tokio Marine & Nichido)

Main initiatives taken by Tokio Marine & Nichido are described below:

Subjects of improvement	Improvement plans
<p>Improving and strengthening the approaches to governance and compliance with laws and regulations, etc.</p>	<p>Strengthening the approach to governance by incorporating the "perspectives of consumers" and "perspectives of outsiders," through initiatives including appointing an Outside Director as the chair of the "Compliance Committee" in addition to adding 2 consumer representatives as outside members of the "Quality Improvement Committee(Board of Directors)."</p>
<p>Establishment of the "Safety Quality Standard" (as the essential quality level)</p>	<p>Defining the "Safety Quality Standard" as the essential quality level for products and services, and implementing initiatives to ensure the "Safety Quality Standard" "by everybody, at all times and in all places," from consumers' points of view.</p>
<p>Improving and strengthening the approach to the administration of claims payment</p>	<p>Taking comprehensive measures throughout all operational processes, by such means as reviewing the approach to the administration of the payment of insurance claims and providing support through new computer systems, to ensure that all customers are informed of the claims they may receive and are paid appropriately, without fail. Also, achieving more objective and highly transparent customer services through means such as enhancement of internal audit for insurance claimspayment.</p>
<p>Improving and strengthening policyholders' protection and convenience</p>	<p>In order to improve the quality of sales, defining the "Safety Quality Standard" in sales. Furthermore, developing a unique sales qualification system for the company in order to raise the quality level of sales personnel. Also, seeking to achieve a product structure that is more easily understandable to customers, through the reorganization and consolidation of products and clauses.</p>
<p>Establishing an approach for responding to "customer comments"</p>	<p>Improving and further building up an approach for sincerely accepting complaints, opinions, and other "customer comments" and proactively utilizing such comments in improving operations, through means such as the establishment of the "Voice of Customers Dept."</p>

Taking on the Challenge of Climate Change

Impact of Climate Change/Global Warming and Responses of Insurance Companies

Climate change is generally regarded as a most serious risk which could affect the whole socio-economic structure of any country in the world, by bringing about phenomena such as rising temperatures, heavy rainfall, and drought, thus causing a serious impact on health and ecosystems, physical damage to houses and other buildings, and economic losses such as the deprivation of income opportunities.

In preparation for the probable payment of huge amounts of claims in the event of a major natural disaster, the insurance companies in the Group have taken such measures as securing sufficient liability reserves and resorting to reinsurance and the securitization of risks which enable them to spread accepted risks widely and continue their insurance business stably.

As the risks of climate change increase in the future, it is important that, in order to fulfill our mission to society of providing a

stable supply of insurance products, the insurance companies take steps such as elevating the skills of analysing and appraising the retained risks, setting appropriate premium rates and payment conditions, and providing insurance products suited to newly realized risks, as well as adopting an approach that will enable them to pay claims to customers swiftly and, furthermore, disclosing to society the knowledge and risk information obtained in the process of responding to such risks.

In addition, there is a need for the insurance companies to enhance the services they provide to customers so that they may proceed quickly with recovery in the event of a disaster, by making use of the experience and knowhow accumulated over the years and expanding "precautional measures against disasters" and "post-disaster care services such as the restoration of devastated areas."

Anticipated Effects of Climate Change/Global Warming

Water

- Intensification of water shortages
- Reduced availability of water and increases in droughts, etc.

Food

- Decrease in cereal production
- Negative impacts on fishers, etc.

Health

- Increase in malnutrition, diarrhea, and respiratory diseases
- Increase in rates of mortality due to natural disasters
- Increase in infectious diseases, etc.

Ecosystems

- Increase in extinct species
- Changes in ranges of the distribution of species
- Increase in forest fires, etc.

Coastal areas

- Loss of coastal wetlands
- Increase in property damage and human casualties caused by water (i.e., heavy rainfall and flooding), etc.

* Based on the 4th Assessment Report (AR4) of the United Nations Intergovernmental Panel on Climate Change (IPCC)

Anticipated Effects on Insurance (Products and Services)

● Effects on customers

[Companies]

- Suspension of business activities due to damage from causes such as water shortages, flooding, and rising sea levels in coastal areas
- Effects on the purchase of raw materials by industries handling food, etc.

[Individuals]

- Damage to houses and other structures due to the occurrence of disasters such as heavy rainfall, flooding, and rising sea levels in coastal areas
- Increase in human casualties due to causes such as heatstrokes, respiratory diseases, and disasters or other causes, and rising medical costs, etc.

● Effects on insurance companies

- Increase in the payment of insurance claims in connection with an increase in natural disasters and health impairment
- Changes in risks retained by insurance companies
- Review of claims services (readiness for claims payment)
- Increase in demands for insurance suited to new environmental technologies

Responsive Actions Taken by Insurance Companies

● Sophistication of risk assessment

- Strengthening of risk management (analysis and assessment) and underwriting skills (calculation of appropriate premiums) responding to changes in property damage risks and death/illness/personal accident risks
- Sophistication of the retention policy on insurance risks
- Strengthening of claims service at times of natural disasters (readiness to pay claims)

● Offer of measures for adapting to or mitigating climate change risks by means of insurance products, consulting services, and others

● Offer of insurance products corresponding to the development of new technologies

● Reduction of the environmental impact arising from their own business activities

Tokio Marine Group's Challenge to Tackle Climate Change and Global Warming

The Tokio Marine Group has taken up a challenge to tackle climate change and global warming by taking the initiatives mentioned below. The Group intends to contribute to the development of a sustainable society by proceeding steadily with those initiatives.

Tokio Marine Group's Challenge to Tackle Climate Change and Global Warming

December
2006

Starting-up of the "Global Warming Research Project Team"

- Development of researches into risks related to climate change, together with outside scientific institutions

November
2007

Formulation of the "Comprehensive Program on Global Warming"

- Formulation of the framework for climate-change strategies and action programs in each field

[Web](#) Comprehensive Program on Global Warming

Now

Execution of climate change/global warming strategies (programs in each field)

- 1 Carrying out risk management and risk research
- 2 Providing products, services, and consulting, and carrying out investment and financing
- 3 Reducing environmental impacts and expanding the scope of environmental management systems (FY2008: domestic / FY2009 and later: international)
- 4 Carrying out environmental awareness and social-contribution programs

1 Risk Management and Risk Research

Since 2006, the Group has been promoting a "Global Warming Research Project" under the lead of Tokio Marine & Nichido, the Tokio Marine Research Institute, and Tokio Marine & Nichido Risk Consulting.

In cooperation with academic institutions such as the University of Tokyo and Nagoya University, we have been making efforts to improve assessment models of natural disaster risks by analyzing the impact of natural disaster risks such as typhoons on fire insurance and other products from a variety of angles. In addition, at Tokio Millennium Re (Bermuda) and Tokio Marine Technologies (Atlanta) we have been proceeding with researches into risks related to climate change, centered on North American hurricanes.

At Tokio Marine & Nichido, surveys, analyses, and researches have been proceeding on matters such as improving various measures intended for the stable underwriting of insurance risks through such means as reinsurance and the securitization of wind damage risks and future effects of climate change on the Group management.

2 Products, Services, and Investment and Financing

The Tokio Marine Group has been making efforts to provide products and services which contribute to adapting to and mitigating climate change and global warming.

- Providing risk hedging programs utilizing weather insurance and derivatives (such as support for farmers compensating them for crop damage, through weather insurance) >> p.27
- Investment in environmental business through investment trust >> p.28
- Providing employers with risk consulting services, disaster-recovery support services, and support for energy-conservation measures through facilities management >> p.27
- Reducing environmental impacts through the paperless renewal of automobile insurance and Super-insurance policies >> p.28
- Reducing wastes through repairs using recycled auto parts >> p.28

3 Reducing Environmental Impacts

Each member company of the Tokio Marine Group has been working to reduce the amounts of energy, paper, and other resources used in its business activities through attaining ISO 14001 certification and the Group's own environmental management system (Green Assist).

Tokio Marine & Nichido has been working to reduce its environmental impact, with the goal for FY2012 of reducing its "carbon-dioxide emissions by 6% (from their level of FY2006)." >> pp.40-42

4 Environmental Awareness and Social-contribution Programs

Tokio Marine & Nichido provides support for activities intended to contribute toward the realization of a sustainable society, through participation in international initiatives such as the "United Nations Environment Program Finance Initiative" (UNEP FI), the "United Nations Global Compact," and the "Carbon Disclosure Project." >> p.39

In addition, it has provided related information to society at large through efforts such as holding seminars on global warming together with outside scientific institutions and holding "Green Lessons." >> pp.38-39

CSR at the Tokio Marine Group

The Tokio Marine Group implements CSR through the execution of its Corporate Philosophy itself. Accordingly, the Group has established the "Tokio Marine Group CSR Charter" as a set of behavioral guidelines for such implementation of CSR practices. The Group's goal is to solve social issues, to increase the value provided to all stakeholders, and to contribute to the sustainable development of society by working toward the sustainable growth of the Group as a whole, through the thorough implementation of CSR practices.

Tokio Marine Group CSR Charter

The Tokio Marine Group is committed to fulfilling its "Corporate Social Responsibilities" ("CSR") by implementing its management philosophy to achieve sustainable growth together with the development of society, in accordance with the following principles:

Products and Services

- We aim to provide society with products and services to meet its needs for safety and security.

Contribution to Local Communities and Societies

- As a member of various communities and societies, we respect the diversity of cultures and customs in different countries and regions and we aim to contribute actively to society in response to the needs of the current era.

Respect for Human Rights and Dignity

- We respect and actively promote the recognition of human rights for all people.
- We strive to ensure an energetic working environment that is both safe and healthy and to promote training and education of our employees.
- We respect the right to privacy and strive to enforce thorough control of personal information.

Compliance

- While striving to maintain high ethical standards at all times, we will pursue strict compliance in all aspects of our business activities.

Protection of the Global Environment

- Acknowledging that the protection of the global environment is an important responsibility for all corporate entities, we respect harmony with and improving the global environment in all of our activities.

Communication

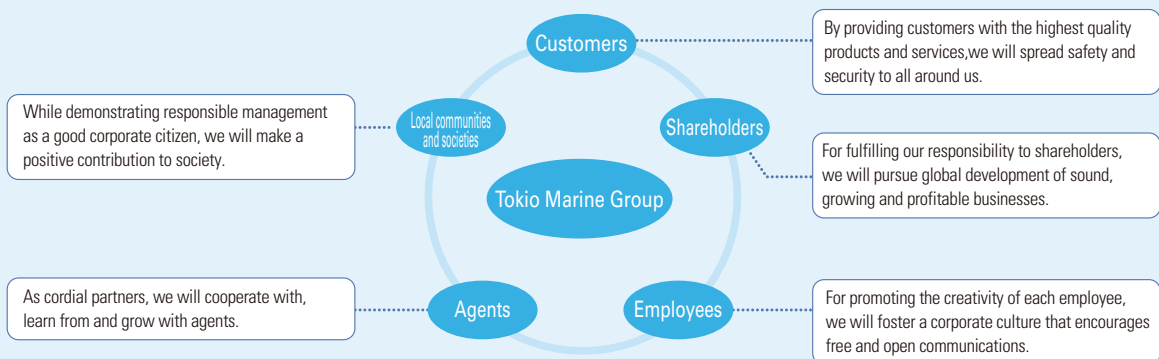
- We intend to disclose information timely and appropriately and to promote dialogue with all of our stakeholders to ensure effective corporate management.

Initiatives for CSR of the Tokio Marine Group

CSR encompasses areas such as respect for human rights and compliance with laws and regulations, as well as environmental protection and consideration for local communities and societies. We consider these to be obligations which are expected of a company as its social responsibility, and we believe that we can provide value to stakeholders only when this foundation is put in place. In addition, to the Tokio Marine Group, which provides value through intangibles

such as insurance and various other services, the most important element in practicing CSR is "Human Power" of its employees and agents, who serve as points of contact with each stakeholder. Through CSR practices conducted by employees and agents with such "Human Power," the Group intends to create new value for society and to increase its corporate value by earning the high regard of all stakeholders.

The Tokio Marine Group's Stakeholders

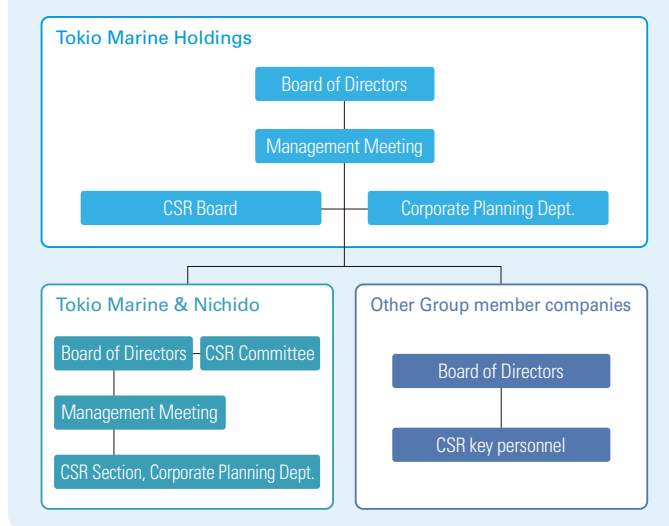


CSR Promotion Structure

In the Tokio Marine Group, groupwide CSR activity policies are formulated by and key issues deliberated on in the "CSR Board," with membership made up of the presidents of directly owned affiliates and chaired by the President of Tokio Marine Holdings. In addition, based on the results of these deliberations Tokio Marine Holdings and directly owned affiliates establish CSR policies for each fiscal year. The Board of Directors of Tokio Marine Holdings decides on CSR plans for the Group as a whole and periodically manages progress on these plans.

In addition, to make clear the responsibilities for CSR-related operations at each Group member company, all directly owned affiliates have appointed key personnel in charge of CSR-related operations. These key personnel submit various reports and other documents to Tokio Marine Holdings in addition to bearing responsibilities for promoting CSR.

The CSR Promotion Structure in the Tokio Marine Group



Participation in the United Nations Global Compact

In light of the fact that the concepts behind and details of the 10 principles for behavior in connection with human rights, labor practices, environment, and anti-corruption advocated in the United Nations Global Compact coincide with the Tokio Marine Group's approach to CSR initiatives and its CSR Charter, since 2005 Tokio Marine Holdings and Tokio Marine & Nichido have taken part in the United Nations Global Compact.

Web The United Nations Global Compact <http://www.unglobalcompact.org/>



The Tokio Marine & Nichido Corporate Value Index

Tokio Marine & Nichido defines corporate value as the sum total of the values it provides each of the following stakeholders: customers, shareholders, agents, employees, and local communities and societies. In 2003 the company developed the "Corporate Value Index," its own scoring system, from the standpoint that it is important to review measures taken by quantifying the degree of progress made in such value as a result of measures implemented each year. The Index classifies value provided to each of the 5 stakeholders – customers, shareholders, agents, employees, and local communities and societies – into 9 fields and designates matters that should be evaluated and scored on a 1200-point scale by themselves. These indexes are intended for use in the quantitative measurement and verification of progress in the company's Corporate Philosophy and CSR and are shared within the company, thus being helpful in the assessment and formulation of management strategies.

Fields subject to assessment	Primary indexes
Customer fundamentals	Number of individual customers, results of customer surveys, number of comments received in "System for Collection and Utilization of Customer Comments," etc.
Agent fundamentals	Percentage of net premiums written accounted for by leading agents, results of customer surveys (on satisfaction with agents), etc.
Management leadership	Results of external surveys on corporate image, results of employee surveys, etc.
Organization and Human Resources System	Percentage of employees with disabilities, number of female employees (at or above a certain rank), results of employee surveys, etc.
Organizational culture	Number of employee activities making contributions to local communities and societies, number of leaves taken for volunteer activities, results of external surveys on corporate image, etc.
Employee capabilities Operational-process capabilities	Results of customer and agent surveys (on subjects such as employee behavior and services), results of internal audits in Production Departments, branches, Claims Service Departments, and Service Departments, greenhouse-gas emissions, etc.
Product strength	Results of external surveys on corporate image, results of agent and employee surveys, etc.
Brand strength	Results of external surveys on corporate image etc.
Profitability/soundness	Financial ratings, return on equity (ROE), etc.

Performance of FY2007 CSR Initiatives and FY2008 Plans

Area of initiatives		Related stakeholders	Main CSR initiatives in FY2007 (annual plan)*1	Assessment of efforts*2	Pages
Value provided to customers	Products and services	Customers	<ul style="list-style-type: none"> Review of various operational processes toward ensuring the appropriateness of operations 	○	p.11
			<ul style="list-style-type: none"> Building up structures (operational cycles) for proactively seeking "customer comments" and utilizing such comments in providing products and services 	◎	p.26
			<ul style="list-style-type: none"> Improving the quality of products and services provided to customers (society) 	○	pp.24-28
	"Human Power" of employees and agents	Employees, agents	<ul style="list-style-type: none"> Improving competence for work (i.e. improving the "Human Power" of employees and agents) In particular, enhancing and strengthening the system for supporting career development for female employees through training, self-development, etc. 	○	pp.30-35
Two-way communication	Customers, shareholders, employees, agents, local communities and societies	<ul style="list-style-type: none"> Enhancing skills in communication with stakeholders (i.e., customers, shareholders, employees, agents, and local communities and societies) 	◎	pp.6-9 pp.29-30 p.35	
		<ul style="list-style-type: none"> Promoting understanding and increasing awareness of CSR among employees 	○	pp.32-33	
		<ul style="list-style-type: none"> Ensuring the thorough disclosure of information in a timely and appropriate manner 	◎	p.29	
Contributions to local communities and societies	Local communities and societies	<ul style="list-style-type: none"> Promoting activities to contribute to local communities and societies (enhancing initiatives shared by the Group member companies) 	○	pp.36-39	
		<ul style="list-style-type: none"> Proactive participation by the Group member companies' employees and agents in voluntary mangrove-planting activities (February 2008: Thailand) 	◎	p.39	
Protection of the global environment	Local communities and societies	<ul style="list-style-type: none"> General response to climate change Promoting initiatives to prevent global warming (including climate change) 	◎	pp.12-13 p.42	
		<ul style="list-style-type: none"> Reducing environmental impacts Expanding the scope of the environmental management system (EMS) Reducing environmental impacts (in areas such as use of electricity, natural gas, and gasoline, use of paper resources, and waste) 	△	pp.40-42	
Compliance	Customers, shareholders, employees, agents	<ul style="list-style-type: none"> Ensuring the appropriateness of operations from customers' perspectives Improving the compliance promotion structure 	○	pp.19-21	
Respect for human rights and dignity	Employees	<ul style="list-style-type: none"> Enhancing systems and operation for "supporting a good work/life balance" (promoting advances made by women into society) Promoting employee health and efforts to reduce pressure on employees (including mental healthcare) Continuous promotion of training on human rights 	○	pp.32-35	

Assessment of efforts: Implemented according to plan:◎ Largely implemented according to plan:○ Partially implemented according to plan:△

Main CSR issues in FY2008 (annual plan)*3

■ Thorough establishment and spreading throughout the organization of various business processes* intended to help to ensure the appropriateness of business operations
(* Including products, payment of claims, operations related to sales of insurance products, and computer systems)

■ Promoting collection and utilization of "customer comments"
■ Further improvements in products and services through enhancing initiatives for "business improvement-cycle"

■ Improving the quality of products and services provided to customers (society)
■ Developing products and services useful to "Safety and Security"

■ Improving competence for work (i.e. improving the "Human Power" of employees and agents)
● Enhancing and strengthening support systems for employees and agents in areas such as training and self-development, through efforts such as sales qualification systems and e-learning

■ Further promotion of direct dialog with each stakeholder
● Customers: Building a database of "customer comments" obtained through means such as customer monitoring systems
● Shareholders and other investors: Enhancing IR activities, including explanatory meetings
● Employees and agents: Enlivening a dialog with each level of employees and with agents
● Local communities and societies: Enhancing dialogs with external experts, etc.

■ Promoting understanding and further increases in the awareness of CSR among the Group member companies' employees and agents, through means such as Group internal PR and each company's training efforts

■ Timely and appropriate disclosure of information on each Group member company, via websites

■ Promotion of activities to make contributions to society in each country and region around the world
● Adopting a support structure that makes it easy for employees to participate in social-contribution activities
● Target number of participants in volunteer activities: 5000

■ Proactive participation by the Group member companies' employees and agents in voluntary mangrove-planting activities (July 2008: Vietnam)

■ Steady initiatives in various fields (i.e., products and services, risk research, investment and financing, reducing environmental impacts, environmental education)

Domestic Group member companies

■ Beginning EMS adoption and the PDCA cycle (monitoring) at each Group member company
■ Continued efforts to reduce environmental impacts at each company (each office)

Overseas Offices

■ Continued initiatives to reduce environmental impacts at each company (each office)
■ EMS adoption at key offices (steadily expanding the scope of the EMS over the medium-to-long term)

■ Ensuring the appropriateness of business operations at each company based on the "Group's Fundamental Policy on Internal Control" (enhancing guidance provided by the holding company to the Group member companies and supporting improvements in approaches to promoting compliance)

■ Promoting diversity (e.g., creating employment opportunities and improving the work environment for people with disabilities, promoting opportunities for female employees to thrive)
■ Enhancing systems and operation for "supporting a good work/life balance"
■ Promoting employee health and efforts to create a more relaxed workplace (including mental healthcare)
■ Continuous promotion of training on human rights

Overview of FY2007

Every member company of the Tokio Marine Group (particularly domestic insurance companies) strengthened its initiatives to improve the quality of operations, by giving top priority to "ensuring the appropriateness of business operations," and made progress largely according to plan. In addition, every member company has established a system for measuring an environmental impact arising from its own business activities and strengthened its initiatives to reduce such impact. Also, in the area of making contributions to society, the Group companies around the world have carried out many activities of an "employee-participation type" in cooperation with each other and in harmony with local communities and societies.

Activity Plans for FY2008

In continuation from FY2007, every member company of the Tokio Marine Group will carry out various kinds of CSR activities, by giving foremost priority to "ensuring the appropriateness of business operations," which will lead to improvement in the quality of products and services, and strengthening initiatives to tackle climate change/global warming. The Tokio Marine Group intends to contribute to the making of a sustainable society through CSR activities by each Group member company and, in turn, earn a higher level of trust from all stakeholders.

*1 This section reports on the initiatives taken by Tokio Marine Holdings, Tokio Marine & Nichido, Nisshin Fire, Tokio Marine & Nichido Life, Tokio Marine & Nichido Financial Life, TM Asia, Tokio Marine Property Investment Management, Tokio Marine & Nichido Career Service, Tokio Marine & Nichido Facilities, Tokio Marine & Nichido Medical Service, and Tokio Marine & Nichido Anshin Consulting, each of which has established a CSR plan of its own.

*2 Please have a look at the beginning part of each chapter for a summary of activities implemented and the progress made in FY2007.

*3 The overseas Group member companies have been amended to be included in the framework of CSR plans for "overseas insurance operations," following a review of the governance of such operations. In addition, beginning in FY2008 Tokio Marine Holdings and its 10 Group member companies will formulate CSR plans, as a result of Tokio Marine & Nichido Risk Consulting becoming an operating subsidiary of Tokio Marine Holdings.

Corporate Governance

Tokio Marine Holdings has constructed a system for ensuring sound and highly transparent corporate governance and, as a holding company, supervises each Group member company appropriately.

Conditions of Corporate Governance

Corporate Governance Structure

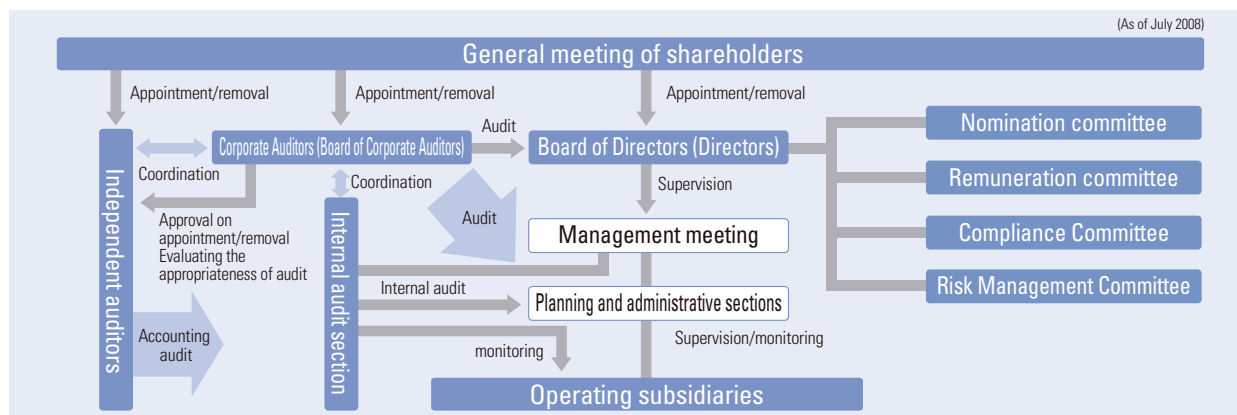
The following is an overview of the corporate governance structure.

Body	Role assigned (top) and composition (bottom)
Board of Directors	The Board of Directors is responsible for decisions on important matters relating to the execution of Tokio Marine Holdings' business, for supervising the performance of individual directors and establishing an appropriate internal control environment and an effective internal control system. Approx. 10 members, at least 3 of whom in principle must be outside Directors.
Corporate Auditors, Board of Corporate Auditors	Audits the performance of Directors, as an independent body entrusted by shareholders. Approx. 5 members. In principle, a majority of these must be outside Corporate Auditors.
Nomination committee	Deliberates and reports to the Board of Directors on appointment and removal of Directors and Corporate Auditors of Tokio Marine Holdings and major subsidiaries and on requirements for such appointment. Approx. 5 members, a majority of whom must in principle be outside members. The committee chair shall be chosen from among the outside members.
Remuneration committee	Deliberates and reports to the Board of Directors on performance evaluations of Directors and Corporate Auditors of Tokio Marine Holdings and major subsidiaries and on the executive compensation system. Approx. 5 members, a majority of whom must in principle be outside members. The committee chair shall be chosen from among the outside members.

Executive Remuneration System

Remuneration for full-time directors of Tokio Marine Holdings consists of 3 elements: fixed remuneration; bonuses related to the business performance of Tokio Marine Holdings and the performance of the individual; and stock options. Remuneration for corporate auditors and part-time directors of Tokio Marine Holdings consist of 2 elements; fixed remuneration and stock options. Remuneration for directors of main subsidiaries follows, basically, the above scheme.

Corporate governance organizational chart



Governance of Subsidiaries

The Tokio Marine Holdings carries out the supervision of its subsidiaries including the monitoring of their business plans, by exercising its shareholder rights and rights based on management agreements. It also formulates fundamental policies for the promotion of compliance, risk management, and internal auditing for the Group and supervises its subsidiaries through building and operating structures based on these policies.

Basic Policy for Internal Control

Tokio Marine Holdings has formulated the "Basic Policy for Internal Control" in accordance with the Corporation Law and the Enforcement Regulations of the Corporation Law. The policy sets forth the fundamental components of the systems related to areas such as compliance, risk management, internal auditing, saving of information, and audits by corporate auditors, in addition to the structure for monitoring the appropriateness of business operations at each Group member company in the capacity of a holding company.

○ Basic Policy for Internal Control (overview)

- Structure for ensuring the appropriateness of business operations in the Group
- Structure for ensuring that performance of duties in compliance with laws and regulations and the Articles of Incorporation
- Fundamental policies for risk management
- Structure for ensuring the efficient execution of duties
- Structure for customer protection, etc.
- Structure related to the saving and management of information regarding the execution of the Directors' duties
- Structure for ensuring the appropriateness and reliability of financial reports
- Structure related to auditing by corporate auditors

Web Tokio Marine Holdings' Basic Policy for Internal Controls

Compliance

The Tokio Marine Group which places customer trust at the base of all its activities has taken various initiatives in consideration of the fact that it is very important for its employees and agents, who serve as contact points between the Group and its customers, to maintain high ethical standards and communicate such ways of life to customers in their day-to-day business.

<p>▶ Issues and targets in FY2007</p> <ul style="list-style-type: none"> ■ To maintain the appropriateness of business operations from customers' viewpoints ■ To advance the promotion of compliance 	<p>▶ Initiatives and progress in FY2007 (main points)</p> <ul style="list-style-type: none"> ■ Secured the appropriateness of business operations at each Group member company in accordance with the "Group's Basic Policy for Internal Control" ■ Strengthened the guidance of the Group member companies and supported their promotion by the holding company
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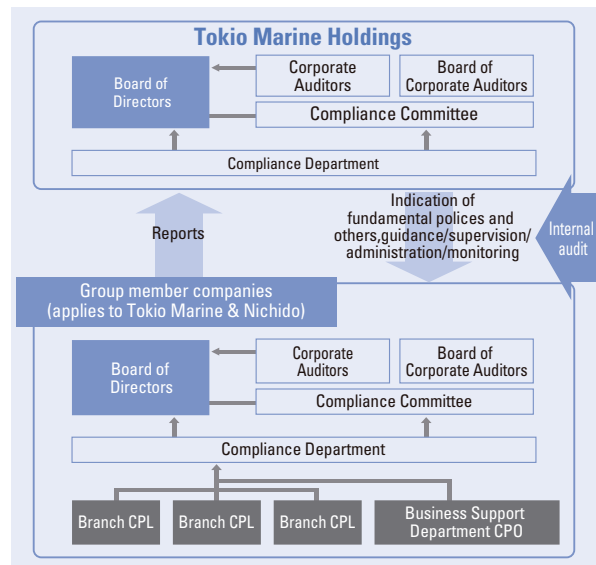
Promoting Compliance through Daily Operations

The Compliance Structure in the Tokio Marine Group

Tokio Marine Holdings drafts groupwide measures based on the Group's "Basic Policy for the Promotion of Compliance" and its "Code of Conduct" and conducts the periodic monitoring of the Group member companies.

Each Group member company promotes compliance appropriate to the nature and size of its own business and submits important matters to Tokio Marine Holdings for discussion or reporting. In addition, Tokio Marine Holdings deliberates and makes decisions on compliance-related matters in bodies such as its Compliance Committee and its Board of Directors, and it provides the Group

Tokio Marine Group's compliance structure



Tokio Marine Group Code of Conduct(revised July 1, 2007) (excerpted section titles)

The Tokio Marine Group has established the "Tokio Marine Group Code of Conduct" to cover matters with which the employees and management of all Group member companies must comply, considering that the foundation for its management activities lies in carrying out its business activities in compliance with laws, regulations, and various rules.

Basic Principles:

- 1 Compliance with laws and regulations
 - 1-1 Compliance with relevant laws
 - 1-2 International Rules and Local Laws
 - 1-3 Free and Fair Competition
 - 1-4 Conflicts of Interest
 - 1-5 Insider Trading
 - 1-6 Intellectual Properties
 - 1-7 Working Environment

- 2 Social and Political Issues
 - 2-1 Anti-social Forces
 - 2-2 Political Activities, Political Funding
 - 2-3 Gifts and Entertainment
- 3 Appropriate Actions of and High Transparency in Management
 - 3-1 Appropriate Transaction
 - 3-2 Public Disclosure
 - 3-3 Accurate Information
 - 3-4 Confidential Information

- 4 Respect for Human Rights and the Environment
 - 4-1 Anti-discrimination
 - 4-2 Anti-harassment
 - 4-3 Private Information
 - 4-4 Protection of the Global Environment

Applicable Laws, Rules, Regulations and Internal Rules Reporting

Web Tokio Marine Group Code of Conduct

member companies with guidance and advice as needed.

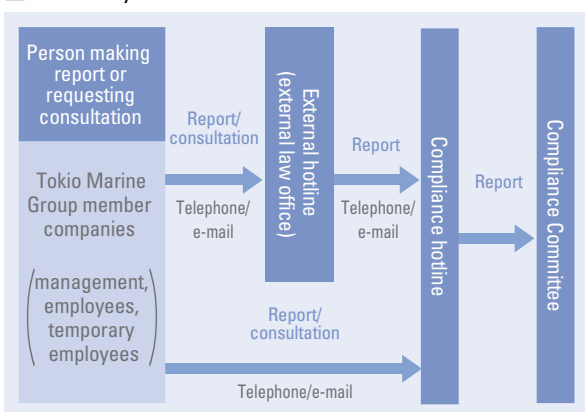
Tokio Marine & Nichido has established a governance structure with a high degree of management participation through its Compliance Committee and has appointed a Compliance Leader (CPL) in each production department who provides guidance on initiatives for compliance and fulfills a check-and-balance function, among other responsibilities. It also has appointed a Compliance Officer (CPO) in each region's business -support department who fulfills a check-and-balance function with regard to production departments and supports the CPL. In this way, it has built up a structure for thorough compliance throughout a wide range of operations it conducts.

In the overseas member companies, compliance is promoted under the lead of the CPOs in the respective companies along the lines of the above principles and by respecting local laws and regulations.

Hotline System

The Tokio Marine Group has installed internal and external hotlines as a system for handling reports and consultation from employees and the management of the Group member companies in the event a compliance-related issue has arisen or there is a likelihood of such an issue coming to the fore. In FY2007, this hotline system received roughly 160 reports and consultations throughout the Group, which replied to each of them appropriately. The Group keeps personal information on individuals making such reports strictly confidential to it and will never give any disadvantageous treatment at all to people making such reports.

Hotline system structure



Nurturing the Sense of Ethics among Employees and Agents

Compliance Education and Training for Employees

The Tokio Marine Group has covered systems, structures, and rules for ensuring thorough compliance in documents such as the compliance manuals of the member companies which are made available for the use of all members of the management and employees. In addition, it has prepared various manuals corresponding to the types of business to clarify relevant rules and has also implemented various kinds of training for individual positions and levels and for each workplace in order to have the firm knowledge of compliance, which is needed for all employees, take root in their minds.



Group member companies' compliance manuals

Implementing Thorough Compliance through Daily Operations

Tokio Marine & Nichido proceeds with thorough compliance as important business activities in day-to-day business operations, by all employees particularly in sections in charge of production and claims services.

The Compliance Leader (CPL) assigned to each production department provides guidance on initiatives to production and claims services sections and fulfills a check-and-balance function with regard to business operations in each section, through handling inquiries on individual matters as well as conducting compliance training for employees and agents.

Implementing Thorough Compliance by Agents

Since each member company of the Tokio Marine Group handles a range of products including life insurance and investment trust in addition to nonlife insurance, it has been making efforts, in the same way with its employees, to have thorough compliance implemented by agents and sales personnel also who handle the same types of products.

Tokio Marine & Nichido provides its agents and sales personnel with group training and compliance courses on the Internet, as well as support for the construction of their compliance systems. Tokio Marine & Nichido Life implements training for agents using training materials giving an easy-to-understand explanation of sales rules (such as CD-ROMs for role-playing).



A screen used in an e-training system

Initiatives for Information Security

Information-security Management Structure

In the area of personal information on customers, the Tokio Marine Group has formulated and released the "Tokio Marine Group Privacy Policy" which clarifies the Group policy for dealing with such information. Each Group member company formulates and releases a policy of its own, in accordance with the Privacy Policy.

The Compliance Department of Tokio Marine Holdings supervises information security for the entire Group, and a section in charge of information security has been established in each Group member company. Through these efforts, the Group endeavors to build up an effective management structure for information security.

Web [The Tokio Marine Group's Privacy Policy](#)

Acquisition of External Certification

The Tokio Marine Group has been working aggressively to acquire external certifications related to information security. The certifications acquired include the "Privacy Mark" and "Information Security Management System (ISMS) certifications" (see the table below). These achievements represent the acknowledgement made of the initiatives taken within the Group to protect personal information. The Group intends to make continuous improvement and to strengthen further its information-security management structure in the future.

■ Status of acquiring external certifications related to information security

Group member company	Certification date	Certification
Tokio Marine & Nichido Communications	Nov. 2005 March 2006	Privacy Mark ISMS
Tokio Marine & Nichido Life	April 2006	Privacy Mark
Tokio Marine & Nichido Career Service	June 2006	Privacy Mark
Tokio Marine & Nichido Systems	Aug. 2006 Dec. 2006	ISMS ITSMS*
Tokio Marine & Nichido Risk Consulting	June 2007	Privacy Mark
Millea Mondial	Aug. 2007	Privacy Mark
Tokio Marine & Nichido Medical Service (Health Promotion Dept.)	Sept. 2007	ISMS

* Third-party certification system on operational management of IT services (ISO/IEC 20000)

Certifications acquired by Tokio Marine & Nichido Communications



BS7799-2-2002/IS502163 ISMS Ver2.0/IJ02066

Risk Management

For the purpose of securing and maintaining the soundness of business operations, the Tokio Marine Group manages various risks related to the operation of its business and ensures the stability of management.

Risk Management in the Tokio Marine Group

Risk-management Approach

In the Tokio Marine Group, operating subsidiaries themselves carry out risk management for risks related to their business, while Tokio Marine Holdings ascertains the situation of risks faced by the Group as a whole and conducts risk management for the entire Group.

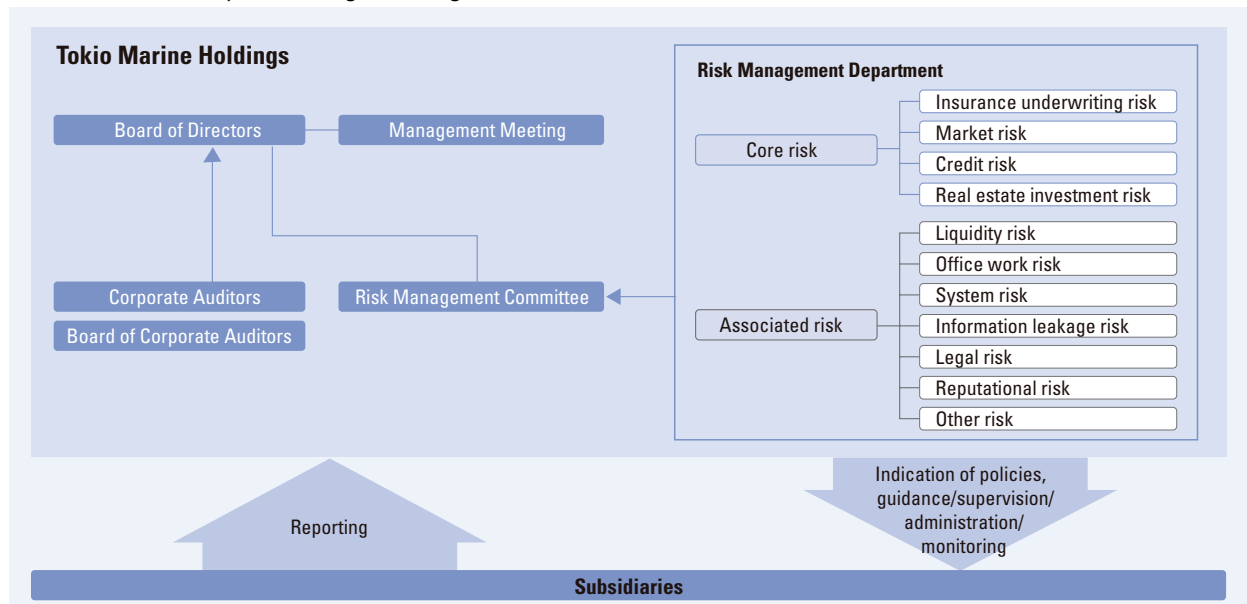
Tokio Marine Holdings establishes basic policies for the entire Group and promotes the consolidation and improvement of the groupwide approach to risk-management. In addition, it also conducts quantitative risk management for the entire Group, for the purposes of maintaining the Group's ratings and preventing bankruptcy.

In accordance with basic fundamental policy for the risk management of the entire Group, each operating subsidiary in the Group establishes its own risk management policy and implements risk management for itself and its subsidiaries.

Practicing Risk Management

The Group actively controls underwriting risks and asset-management risks (i.e., market risks, credit risks, and real-estate investment risks) by regarding them as core risks which should be put under control as sources of revenue. In addition, in such areas as clerical and system risks pertaining to the Group's business activities, the Group clearly identifies where such risks lie and seeks to stabilize management through appropriate risk-management in the area of preventing and reducing losses.

Tokio Marine Group risk-management organizational chart



* For details of "risk management," please have a look at the Annual Report 2008 of Tokio Marine Holdings

Disaster-response Measures

Business Continuity Plan (BCP*)

Tokio Marine & Nichido has formulated the Business Continuity Plan (BCP)

to ensure that it can continue its important business operations as a property and casualty insurer, such as receiving accident notices, paying claims and concluding policies, in the event of a natural disaster such as an earthquake or a typhoon, both in the disaster-stricken area and elsewhere.

* A BCP is a plan established in advance for the continuation and recovery of the company's important business operations in the event of disasters or similar incidents.

1 Basic Policy for Responding to Disasters

1. Principles of employees' conduct
 - To check the safety of customers, employees and their families, agents, and others
 - To make every effort to cooperate in securing safety in the local communities
2. Basic policy for business continuity
 - To give top priority to the continuation of important business operations by supplying resources such as personnel, funds, and others as needed

2 Formulation of Plans and Measures for Continuation of Important Business Operations

1. Anticipated risks and damage

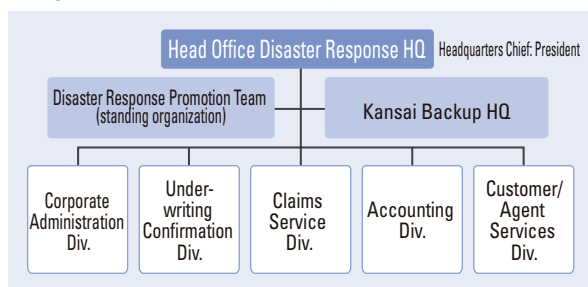
The worst-case scenario envisages damage to the Head Office building and the Tama Systems Center in an earthquake striking the Head Office building with a "seismic intensity (on the Japanese scale) of greater than 6," making both facilities unusable for a certain period of time.
2. Selection of key business operations

The operations selected as important business operations are "receiving of accident notices"; "payment of claims, maturity refunds and other payables"; and the "conclusion of insurance contracts."
3. Setting a recovery target

Should the Tama Systems Center become unavailable for use, we would see that key operations will be handled manually at first, whether taking place inside or outside the area affected by the disaster, and that the backup systems needed for the continuation of important business operations will be up and running 24 hours later.
4. Setting up required organizations and framework

The "Head Office Disaster Response Headquarters" commanded by the president will be set up at the Head Office. In the event of damage to the Head Office being severe, the "Kansai Backup HQ" will be established in the Kansai region. In addition, the "Disaster Response Promotion Team" has been established as a standing organization handling on a regular basis efforts related to responding to disasters.

Head Office Disaster Response Headquarters organizational chart (summary)



5. Measures for continuation of key operations

In addition to the preparation of the planned location for establishing the Head Office Disaster Response Headquarters, advance preparation for substitute head-office locations, preparation for backup information systems, and the adoption of a system for checking employee safety, various manuals have been made ready for individual roles and levels.

3 Education and Training

Various types of education and training programs have been implemented for individual roles and levels, such as desktop training for the President and other Directors and training for all employees.

4 Inspection and Corrective Measures

In addition to inspections conducted by the Disaster Response Promotion Team on the progress of disaster-response measures at all branches and audits performed by external organizations, appropriate improvements and corrections are made for any inadequacies discovered in these inspections and audits.

5 Review of Plans by the Management

At a regular annual meeting on disaster-response measures and other meetings, the president and other directors review all aspects of these plans.

Preparation of a Claims Service Structure for Use in the Event of a Disaster Striking the Metropolitan Area

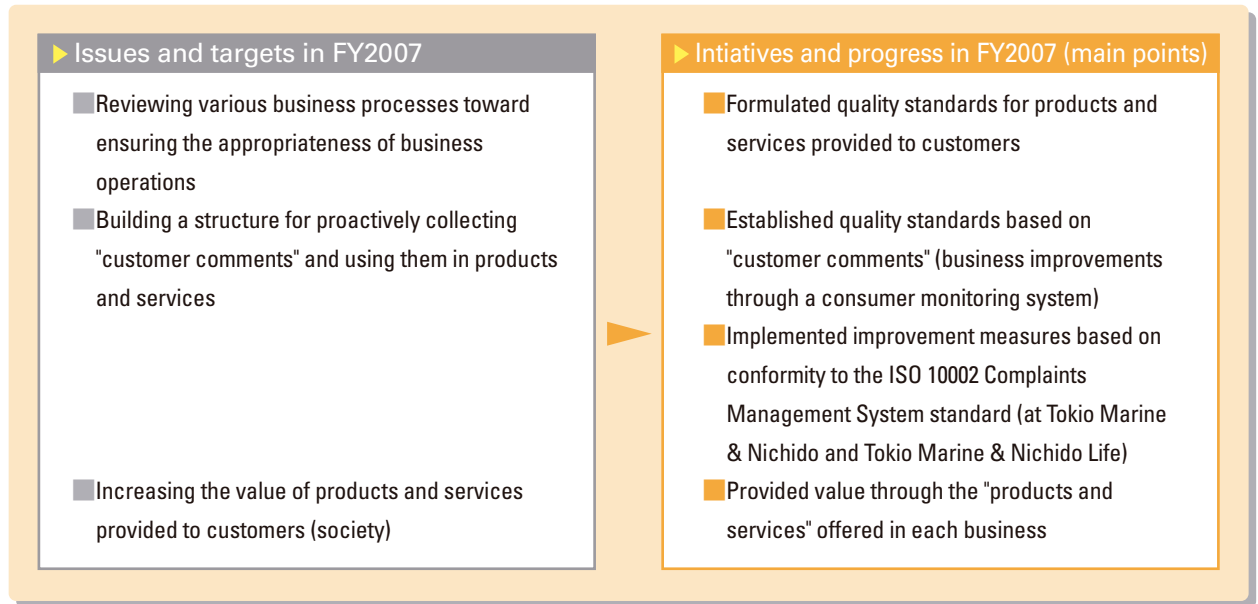
Should the Head Office facilities become unusable because of a disaster striking the Metropolitan area in particular, a "Kansai Claims Service Backup Headquarters" would be set up within the Kansai Backup HQ to attend to initial-stage needs such as receiving accident notices from the disaster-stricken area (the Metropolitan area) until the lifeline and other services are restored in the area.

In the Metropolitan area struck by the disaster, a "Claims Service Headquarters" and its subdivisions would be set up within the Head Office Disaster Response Headquarters, with the Claims Service Dept. in charge of Tokyo and Chiba, Saitama, and Kanagawa prefectures at its helm. Support personnel will be assigned to the Claims Service Headquarters from facilities across Japan, and a unified provision of claims services would begin at 6 facilities other than the Head Office, to be determined in advance.

An infrastructure needed to provide claims services swiftly to the Metropolitan area in the event of a natural disaster has been built up in advance in the locations where the "Kansai Claims Service Backup Headquarters," the "Claims Service Headquarters," and separate subdivisions would be established. And we have established the scheme of dispatching support personnel as needed in all offices in the company.

Relations with Customers

The Tokio Marine Group responds to diversifying customer needs through combining the abilities of the Group member companies to provide new products and services that anticipate the changing times and surpass the framework of the existing insurance products and services.



Providing Customer-oriented Value

The Tokio Marine Group's Concept of Customer-focused Value

The Tokio Marine Group has earned a high regard from its customers by providing products and services which go ahead of the times, in accordance with the Group's corporate philosophy "by providing customers the highest quality products and services, we will spread safety and security to all around us."

From a medium-to-long-term viewpoint, it is conceivable that social and economic changes inside and outside Japan could give rise to new risks such as the declining birthrate and aging population and global warming. In response to the diversifying needs of both individual and corporate customers in connection with such changes, the Tokio Marine Group will combine the capabilities of all the Group member companies and will do its best to provide new products and services that anticipate the changing times and surpass the framework of the conventional insurance products and services, in areas such as the financial, medical, and consulting fields.

When a Customer Contracts an Insurance Policy

In insurance contracts like automobile insurance, fire insurance and life insurance, insurance companies provide in advance for details of coverage given to their customers by way of insurance clauses, etc. Each insurance company of the Tokio Marine Group makes it a rule to inform customers of all details of insurance contracts without any omission, including points requiring particular attention, at the time of effecting contracts with them and verify that they have correctly understood the content of insurance contracts they have entered into.

For example, Tokio Marine & Nichido started from April 2007 the system of double-checking that the content of an insurance contract which a customer is going into fully meets his or her needs, by using "a confirmation sheet of contract details" before the contract is effected with the company so that the customer may choose a contract most appropriate to him or her.

In addition, the company has been continuing efforts to improve "the confirmation sheet of contract details" by making it easier for customers to understand based on comments from them.

* **Climate change** indicates an initiative to respond to climate change and global warming. Please have a look at "Special Feature 2: Taking on the Challenge of Climate Change" (pp.12-13) for details.

Response on the Occurrence of an Accident

Response to an Accident Occurring Anytime and Anywhere

Tokio Marine & Nichido and Nisshin Fire have constructed claims service structures which enable them to provide swift caring services no matter where in Japan an accident occurs, by assigning claims staff, lawyers, consulting doctors and other specialists throughout Japan. In addition, in order to respond quickly to accidents occurring anytime and anywhere, the companies have installed toll-free dial systems which enable them to respond to accident notices and consultation on accidents from customers 24 hours a day and 365 days a year. Even when an accident notice is received on holidays or during the night on week days, the company is ready to make an initial-stage response such as making contact with the other party to the accident or arranging a replacement vehicle, as requested by the customer.

Further, in cooperation with the International Assistance (INTAC) of its Group member company, Tokio Marine & Nichido provides emergency assistance services at the "International Helpdesk" located in Tokyo. The International Helpdesk can receive calls on overseas accidents and illnesses from anywhere in the world 24 hours a day and 365 days a year. Also, Tokio Marine & Nichido also accepts accident notices in English and various inquiries from customers through its website.

Receiving Accident Reports by Fax from Customers with Hearing or Speech Disabilities

For customers with hearing or speech disabilities, who have difficulty reporting accidents by telephone, Tokio Marine & Nichido's Accident Report Center (the Tokio Marine & Nichido safety hotline) started in April 2008 the service of receiving notices by fax to an exclusive number for the purpose, by using a special form which can be downloaded from the company's homepage.

Claims service system (as of July 2008)

	Tokio Marine & Nichido	Nisshin Fire
Service locations	246 locations	109 locations
Staff	approx. 8,900 people*	approx. 1,093 people
Lawyers	approx. 520 people	approx. 38 people
Advisory doctors	approx. 140 people	approx. 12 people
Tax accountants, accountants	approx. 70 people	—
Number of automobile accidents handled	approx. 2,400,000 accidents	approx. 210,000 accidents

* The number of staff for Tokio Marine & Nichido is as of July 2007.

Number of reports of accidents handled (FY2007)

	Tokio Marine & Nichido	Nisshin Fire
Accident reports handled	943,022*	129,717
Other (e.g., Road Assist, insurance consultation)	402,643	12,536
Total	1,345,665	142,253

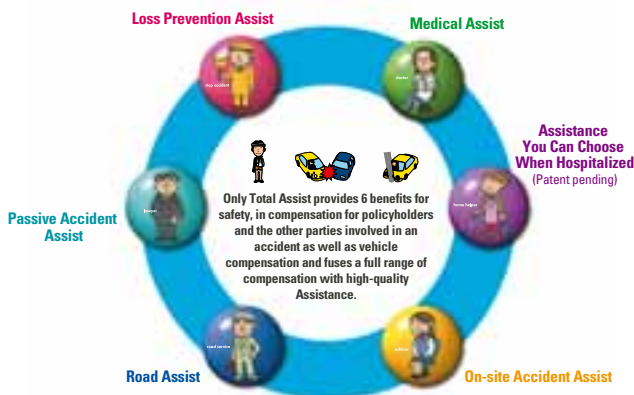
* Claims received by the Tokio Marine & Nichido safety hotline

Automobile Insurance "Total Assist" Providing "Safety and Security" Both before and after an Accident

Tokio Marine & Nichido offers an automobile insurance product, "Total Assist," that fuses traditional "insurance" with "assistance services." In hopes that customers may enjoy their lives with cars of their own with greater safety and security, we have incorporated in the "Total Assist" 6 additional services including "Assistance You Can Choose When Hospitalized," on top of the traditional coverage of automobile insurance. By doing so, it provides customers with economic and mental support from the phase of accident prevention through follow-up care after an accident.

This new concept of automobile insurance has earned the support of a great number of customers, with its innovative combination of high-quality assistance services such as support in emergencies like an automobile accident or breakdown (Road Assist), supply of information on loss prevention (Loss Prevention Assist), various kinds of support when hospitalized in an accident (Assistance You Can Choose When Hospitalized), and medical consultation in everyday life (Medical Assist).

6 types of assistance "Total Assist" only can provide



Medical Assist Provides Peace of Mind at All Times

In partnership with Tokio Marine & Nichido Medical Service, Tokio Marine & Nichido provides free medical consultation services as assistance targeted at certain policyholders. By telephone, this service provides emergency medical consultation, consultation with specialized doctors by appointment, information on medical facilities, and specialized consultation on cancer, and arrangements for the transportation of a patient or the transfer of a patient to another hospital.

Service overview

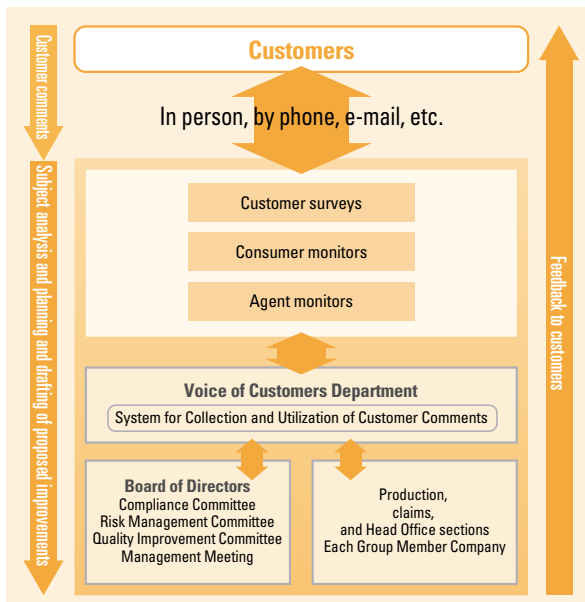
Emergency medical consultation	"Emergency specialists" and highly experienced nurses active on the front lines of emergency medicine provide emergency medical consultation 24 hours/day, 365 days/year
Consultation with specialized doctors by appointment	Specialists in a wide range of medical fields handle medical and health consultation on the phone by appointment
Information on medical facilities	Provision of information on facilities such as emergency medical facilities open at night and on weekends and the nearest medical facilities for customers who are on their travels

System and Initiatives for Utilizing Customer Comments

With customer trust placed at the base of all its activities, each company of the Tokio Marine Group has structured systems maintained to make the most of customer comments by listening sincerely to them and meeting customers' expectations.

For example, Tokio Marine & Nichido and Tokio Marine & Nichido Life have developed the "System for Collection and Utilization of Customer Comments" on the intranet to gather and analyze customer comments received through production departments/sections, sub-branches, and customer centers, for the purposes of sharing information within the company and making improvements. Customer comments considered to require companywide responses are passed on to the attention of departments/sections in charge.

Flow of "Customer Comments" (Tokio Marine & Nichido)



Responding to Risks Faced by Individuals

Joint Research Agreement Concluded with the Shizuoka Cancer Center

In July 2007, Tokio Marine & Nichido Life and Tokio Marine & Nichido Medical Service (TMS), both of which provide insurance products and medical services from patients' viewpoints, concluded a comprehensive agreement on joint researches into the "best ways to provide consultation, support and information regarding the treatment of cancer" with the Shizuoka Cancer Center, one of the top-level facilities in Japan for the diagnosis and treatment of cancer and support services for cancer patients and their families. This joint

research program has been promoting initiatives to protect customers against risks, worries and anxieties by jointly developing tools to communicate to them in plain language the importance of preventive medicine and medical checkup, as well as knowledge on cancer, carrying out drives for enlightenment through the nation-wide sales network of Tokio Marine & Nichido Life and opening a "Special Counter Cancer Consultation" at TMS's 24-hour Call Center.



Shizuoka Cancer Center

«Comment from the Research Partner»

As the number of cancer patients is on an upward trend, the current "era of cancer" is expected to continue until roughly 2050, when the aging of society becomes stabilized. Improvement in recovery rates depends on efforts by every individual person (for prevention, medical checkup, and quick consultation with a doctor on the first manifestation of any symptom), and I believe the activities pursued by agents of Tokio Marine & Nichido Life for the spread of and enlightenment on the correct knowledge of cancer is highly significant in the present society.

Dr. Ken Yamaguchi, Director, Shizuoka Cancer Center

Providing Support for Self-directed Asset-formation through Variable Annuity Insurance

With the increasing importance of self-directed efforts for asset formation amid the ongoing trends of the low birth rate and aging population, Tokio Marine & Nichido Financial Life has been intent on developing variable annuity insurance which supports customers' formation of assets. Thus, the company gives support to its customers' affluent and comfortable lives through the supply of insurance products and services with high-level added values.

Aiming to Provide Investment Trust Services Easy to Understand for Beginner Investors

In the acceleration of the trend "from savings to investment," investment trust products have come to be spotlighted as a means of asset formation. At the same time, customers sometimes comment that "the language used in pamphlets promoting investment trust business is difficult to understand," and that "the key points of the investment are not quite clear." In the circumstances, Tokio Marine & Nichido has introduced such means as an explanation of products by its employees in charge of

investment trust business and advice or comments given on important points (second opinions) by outside specialists, on the Web video site "Toushin TV," which are expected to deepen customers' understanding of "products' characteristics and merits" and "risks involved." Thus, the company gives support to private investors so that they may choose products based on a good understanding of the business.

Responding to Risks Faced by Business Corporations

For Achieving the "Safety and Security" of Food

In response to the widespread cases of food-related incidents occurring in society in recent years, such as food poisoning and the false labeling of ingredients, consumers' level of interest in food safety has much increased. In the circumstances, food companies are required to respond to such cases even more quickly than before, through means such as enhancing sanitation management efforts and carrying out recalls to prevent the occurrence and spread of harmful effects.

To support the smooth resolution of food-safety problems, Tokio Marine & Nichido provides "food recall insurance." This insurance covers such costs as recall costs, costs for the public announcement of apologies, telecommunications costs, and refund costs which food companies are bound to incur as a result of recalling foods that threaten to impair health.

Optimal Solutions for Supporting Business Continuation Climate change

Tokio Marine & Nichido Risk Consulting provides integrated support from the formulation of business continuity plans (BCPs), which are implementation plans covering matters such as organizational structures, advance preparations, and methods of responding in the event of a disaster, through the establishment of business continuity management (BCM), which is a system for conducting a periodic review of BCPs and continuous efforts to ensure their firm establishment within the organization.

In addition, its partnership with Belfor, one of the world's largest firms specialized in disaster recovery, makes it possible to achieve a swift recovery from a disaster through "repairs and restoration,"



Before cleaning



After cleaning

without requiring the replacement of equipment, by disassembling and precisely cleaning equipment and devices damaged by smoke and soot from a fire or mud from a flood with the use of special cleaning technologies, then drying, inspecting, and reassembling it. This service also has attracted attention from the viewpoint of environmental protection.

Social-contribution Activities through Core Business Activities

Provision of a Mutual-aid System through Takaful Services

Takaful is a mutual-aid system compatible with Islamic law, planned and introduced in the second half of the 1970s. While Islamic nations have experienced remarkable economic growth in recent years, Western-style insurance products have not spread in such markets since they conflict with Islamic law. In response, the Tokio Marine Group was quick to begin repeated research efforts on Takaful, taking the bold step in 2001 of taking the lead among insurance companies in its commercialization, delivering safety and security to people who cannot conclude insurance policies for religious reasons. Today, it sells Takaful products in 3 countries (Saudi Arabia, Malaysia, and Indonesia) and is deploying a Takaful reinsurance business in Singapore. In addition, it plans to establish a Takaful company and start the Takaful business in Egypt during FY2008.

Contributing to a Stable Livelihood for Indian Farmers through Micro-insurance Climate change

Since 2001, the Group's nonlife insurance subsidiary in India, IFFCO-TOKIO General Insurance Co., Ltd. (ITGI) has been providing a product that bundles without charge personal accident insurance including an income indemnity in the amount of 4,000 rupees (approximately 10,000 yen) with each bag of fertilizer sold by IFFCO*. This program insures approximately 30 million farmers in India each year, and until now a total of approximately 200 million people have been compensated under this insurance.

In addition, since 2004 the company has been selling climate insurance that provides fixed levels of compensation corresponding to the degree of any drought occurring during the monsoon season (June - September). With the addition in 2006 of insurance covering damage to agricultural produce due to circumstances such as unseasonable temperatures during the dry season (November - March), today the company provides climate insurance policies for approximately 70,000 farmers in total. IFFCO-TOKIO General Insurance contributes to ensuring a stable livelihood for Indian farmers through provision of these insurance products.

* IFFCO: Indian Farmers Fertilizer Cooperative Ltd.
In 2000, IFFCO established a joint venture (ITGI) with Tokio Marine Asia (an intermediary holding company in the Asia region).

Promoting Environmental Considerations through Core Business Activities Climate change

Reducing Environmental Impacts through Paperless Renewal of Automobile Insurance and Super-insurance

In the past, Tokio Marine & Nichido had been mailing "policy summaries," insurance clauses, to automobile insurance policyholders together with their insurance policies. However, it has now launched a system under which policyholders may choose to check such information on the company's website instead of in a pamphlet form. (While it has begun accepting requests for discontinuing the delivery of "policy summaries" for insurance taking effect on and after July 1, 2008, the sending of policy summaries will actually cease with policies renewed on and after July 1, 2009.)

This system not only reduces the use of paper but also includes monetary contributions to the mangrove afforestation project that the company has promoted since 1999, funding the planting of 2 saplings for each "Total Assist automobile insurance" policy taken out*. The company's studies have shown that the total amount of carbon dioxide absorbed by 2 mangrove trees during their lifetimes corresponds to the amount of carbon dioxide emissions generated by an average automobile driven approximately 1,000 kilometers. The company operates the same system for Super-insurance also.

* Including "Total Assist Mini"

"Premium World" Environmental Investment Fund

Since December 2007, Tokio Marine & Nichido has sold the Premium World environmental investment fund focused on the 3 themes of the "environment," "food stock and water," and "health and medical-care." The company supports initiatives to tackle global environmental issues, through investment in stocks of the world related to these themes which have been attracting global attention against the background of global warming, worldwide economic growth, and population increases,

Environmental Considerations in Automobile Repairs

The Tokio Marine Group encourages "environment-friendly" repairs at the time of restoring a vehicle damaged in an accident, while the primary purpose of repairs is to restore the vehicle to its original state before the accident.

The company has been making efforts to reduce industrial wastes and utilize resources effectively by recommending the continued use of damaged parts that can be repaired, without disposing of them, and the utilization of recycled parts when the damaged parts cannot be repaired. In FY2007, the number of cases such as bumper repairs and the use of recycled parts exceeded 174,000.

The "Asante" automobile insurance offered by Nisshin Fire discounts automobile insurance premiums by 10% for policyholders who agree to have their vehicles repaired after accidents with the use of recycled parts at garages designated by the company.

▶▶▶ Topics For the Future of the Senior Generation

Based on the theme of "Making Senior Citizens Proud of Their Old Age," Tokio Marine & Nichido Samuel aims to provide services that will enable senior citizens to live independently and with the peace of mind as before, even if they require nursing-care services. (As of the end of June 2008, Tokio Marine & Nichido Samuel operated 12 facilities with a total of 516 rooms.)

In particular, nursing-care services for elderly people with cognitive impairment require the achievement of optimal living environments, which differ from person to person. This makes the creativity and discernment on the part of staff members very important, and Tokio Marine & Nichido Samuel has been making efforts to upgrade their levels of specialization and improve the quality of care in terms of both nursing care and medical care. In

addition to paying attention to oral care and the prevention of aspiration so that elderly patients can enjoy "the pleasure of eating" fully, the company develops its original soft meals to support the maintenance of patients' chewing and swallowing abilities. Efforts such as these have been evaluated highly, with the company receiving awards from nursing associations.



Relations with Shareholders and Investors

Tokio Marine Holdings aims to be a company that earns the trust of shareholders and investors and realize sound and highly transparent corporate governance, by making the disclosure of information and the exchange of opinions in a timely and appropriate manner.

▶ Issues and targets in FY2007	▶ Initiatives and progress in FY2007 (main points)
<ul style="list-style-type: none"> ■ Enhancing communication with shareholders ■ Thoroughly carrying out timely and appropriate information disclosure 	<ul style="list-style-type: none"> ■ Implementation of IR activities commensurate with shareholder attributes (e.g., institutional investors or individual investors)

Toward Enhancement of Returns to Shareholders

Tokio Marine Holdings has been making efforts to enhance returns to its shareholders through the payment of dividends and purchase of share repurchases, while maintaining at the same time the security needed for sound business management. Over the medium term, it aims to achieve a pay-out ratio for dividends paid to shareholders of 30% of the average adjusted earnings. As a result of 3 years of consecutive dividend increases, its pay-out ratio in the quarter ended in March 2008 reached 28%. In addition, since shifting to a holding-company structure in 2002 it has purchased a cumulative total of 437.5 billion yen of its shares (equivalent to 13.7% of the total shares issued and outstanding as of the time it began repurchasing its shares). Most of these shares have been cancelled.

around the world, and 8 information meetings held for individual investors.

In FY2007 special care was taken through these efforts to describe in a timely and understandable manner matters such as issues related to subprime loans in the United States and the strategies for various businesses, which attracted a particularly high level of interest from shareholders and investors. In addition, the



IR meeting for individual investors

company aims to realize sound and highly transparent management through efforts to reflect in business strategies and policies the valuable opinions and requests received from shareholders and investors.

Web Disclosure Policy of the Tokio Marine Group

Proactive IR Activities

Tokio Marine Holdings carries out continuous interaction (IR) with shareholders, investors, and securities analysts centered on the President and executives. In FY2007 it met with a total of approximately 350 institutional investors in Japan and around the world, through activities including 3 information meetings held for investors, a total of 102 meetings with investors

Inclusion in Socially Responsible Investment (SRI)* Funds

The Tokio Marine Group has been evaluated highly by CSR assessment institutions and its stock are included in Socially Responsible Investment (SRI) funds and in SRI indices in Japan and around the world (See the table below). In addition, it has been working to make improvements in areas such as CSR efforts, based on feedback from each assessment institution.

* Socially Responsible Investment (SRI)

This refers to a means of investment that seeks to achieve stable returns while assessing and choosing companies based on social, ethical, and environmental perspectives, such as legal compliance, hiring issues, human-rights issues, responses to consumers, and contributions to a local society, in addition to investment criteria based on a traditional financial analysis.

State of inclusion in SRI funds

Fund	Registered and managed by:
AIG/Resona Japan CSR Fund	AIG Global Investment Corp.
Eco Balance	Sumitomo Mitsui Asset Management Co., Ltd.
Sumishin SRI Japan Open	STB Asset Management Co., Ltd.
Daiwa SRI Fund	Daiwa Asset Management Co. Ltd.
Fukoku SRI Fund	Shinkin Asset Management Co., Ltd.
UBS Japan Equity Eco Fund	UBS Global Asset Management (Japan) Ltd.
Mitsubishi UFJ SRI Fund ("Family Friendly")	Mitsubishi UFJ Asset Management Co., Ltd.
Eco Partners ("Midori no Tsubasa")	Mitsubishi UFJ Asset Management Co., Ltd.

Note: The above information on inclusion in funds is based on the latest reports from these funds as of June 30, 2008.

SRI indices (as of the end of June, 2008)



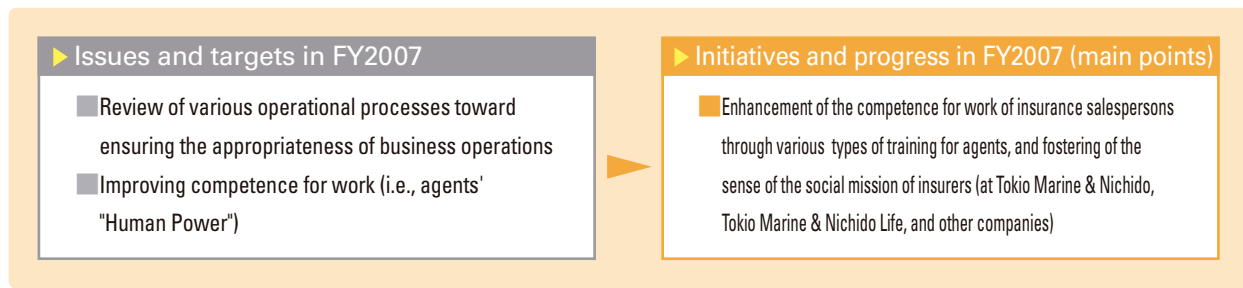
MS-SRI
Morning Star Socially Responsible Investment Index
(Japan)



FTSE4Good(UK)

Relations with Agents

To build partnerships based on trust and to provide "safety and security" that truly is based on customers' points of view, the company has been working to improve the quality of agent operations through smooth communication with agents.



The Roles of Agents in the Tokio Marine Group

In automobile insurance and life insurance, for example, it is considered important for agents to see that the details of coverage and services fully meet the needs of customers when they conclude insurance contracts and that the correct procedure is followed for the notice of claims and requests for claims so that they may receive claims properly in case of an accident.

For agents to be the indispensable people truly relied upon by customers, every member company of the Tokio Marine Group has been proceeding with initiatives directed to its agents such as various kinds of training, the construction of administrative systems and management support.

uniform and high-level services.

Sharing Information with Agents through TNet

In May 2008, Tokio Marine & Nichido started an extensive use of "TNet,"* a new agency system developed to promote the sharing of information with agents by providing them timely with news about latest products, various revisions made, and other tools useful for the sales of insurance and the management of agency business. In addition, the TNet has made it possible for agents and the company's employees to conduct a mutual check of the progress of business through the system, thus leading to a substantial improvement in the function of communication between them.

Building up Partnerships with Agents

Working together with Agents on Initiatives to Improve the Quality of Operations

To realize the "Safety Quality Standard" together with agents, Tokio Marine & Nichido conducts dialogs with all agents, checks on the satisfied levels in the standard, and works toward making improvement in areas that do not come up to the standard. Through these dialogs, the company and its agents make efforts to deliver the "Safety Quality Standard" to all customers, through cooperation and learning from each other.

Nisshin Fire also has established its "Customer Standards" for agent operations such as the procedure for concluding insurance contracts, an explanation of products and an action to be taken on the occurrence of an accident, and has been proceeding with initiatives so that all its agents across Japan may serve customers a

* TNet is an online agent system provided by Tokio Marine & Nichido with the intention of supporting agents in enhancing customer administration and increasing the efficiency of business operations.



TNet top screen

Education and Training Structure for Agents

Qualifications System

The Tokio Marine & Nichido makes it a condition that "agency owners must see that their salespersons finish a training course designated by the company," from the standpoint of realizing sales activities fulfilling the "Safety Quality Standard." The company has been making efforts to improve the quality of sales activities by having salespersons obtain qualifications and complete training as

* Please have a look at the chapter on "Compliance" (p.21) for information on compliance training for agents.

designated for individual products in addition to the "tests for salespersons of property and casualty insurance" and the "insurance-products training system" operated by the General Insurance Association of Japan.

Provision of Training Programs for Agents

In order to train agents and salespersons capable of satisfying the requirements of the "Safety Quality Standard," Tokio Marine & Nichido provides the "Tokio Marine & Nichido Academy," a broad-range training program covering business knowledge such as product details, sales techniques, claim services, and administrative work, as well as related fields like taxation and legal affairs. With regard to product details, in particular, this program has achieved a high level of educational efficiency, by using moving visual images such as animations and videos which enable them to picture actual business scenes to themselves, as well as "case studies" and "tests to check on what has been learned."

Tokio Marine & Nichido Life Training College

Tokio Marine & Nichido Life provides the "Tokio Marine & Nichido Life Training College," a training program for life-insurance agents who intend to develop professional insurance salespersons. In this program, for roughly 3 months salespersons and life-insurance promoters take part together in group training, in which the most advanced training program has been adopted, and at the same time carry out practical activities on the front lines of business.

These practical activities provide the latest programs for supporting the sales activities of participants, such as the adoption of a Web-based self-management system (SSCS*) and "Antore Hiroba," a site where participants can exchange information with each other. Also, the programs give salespersons opportunities to continue helping each other to improve their skills after the completion of their training.

* "SSCS" stands for Sales Process Self Control System, a system that enables to perform both activity management and customer administration.



Antore Hiroba

Agent Trainee System

Tokio Marine & Nichido and Nisshin Fire & Marine have established systems for development of their exclusive professional agents. As of the end of March 2008, 638 people attended the manager training course under this system, learning highly professional knowledge and skills in areas such as insurance products and sales consulting in group training over a period of 3 years and 2 months as well as undergoing practical education through training by advisors in the workplace and on-the-job training.

《Comment from an Agent》

An insurance policy is not a piece of merchandise. Instead, it is a promise. For this reason, the quality of insurance is determined by the level of services we provide to keep the promise. Customer satisfaction is achieved by fulfilling the promise at a level that surpasses customer expectations. However, what customers desire changes all the time. The true value of an agent is tested by how well the agent adapts to such changes when a customer faces a difficulty. We make every effort to respond urgently when we receive notice of a claim, to transform the customer's uncertainty into security. Such warm and timely service for customers is the raison d'être of an insurance agent who feels happy to hear them say "Thank you." In the future as well, we will move forward together with our customers as comprehensive service providers who are always thankful for customers and provides the peace of mind to them and who are relied upon in society.



Takanori Hashimoto,

Chairman,
Tomorrow, Inc. (Insurance Sales Agent)

Relations with Employees

The demonstration of creativity by each employee is considered very important to improve the quality provided to stakeholders, and the Group carries out a wide range of initiatives to build up comfortable workplaces where diversity is respected.

▶ Issues and targets in FY2007	▶ Initiatives and progress in FY2007 (main points)
<ul style="list-style-type: none"> ■ Improving competency for work (i.e., employees' "Human Power"), in the area in particular of enhancing and strengthening systems for supporting career development of female employees. ■ Enhancing communication between employees ■ Promoting the understanding and awareness of CSR among employees ■ Enhancing systems and management for "supporting a healthy work/life balance" ■ Promoting employee health and comfort (including mental health care) ■ Continuously promoting human-rights education and training 	<ul style="list-style-type: none"> ■ Carried out various types of training and self-development programs (e.g., management training for managers, e-learning for employees at Tokio Marine & Nichido and Tokio Marine & Nichido Life) ■ Held dialogs between employees and executives across Japan (each Group member company) ■ Held CSR training (including training for executives) ■ Carried out initiatives to support employees taking childcare leave on their return to the workplace (Tokio Marine & Nichido, Tokio Marine & Nichido Life, and others) ■ Conducted the administration and thorough implementation of health examinations (including mental-health surveys) and encouraging employees to take vacations ■ Carried out human-rights education and training for all employees

Toward Creating a Comfortable Workplace

Approach to Human Resources

Through a fair and transparent HR system, the Tokio Marine Group seeks to foster a "corporate culture which encourages free and open communications for promoting the creativity of each and every employee" and to increase employee satisfaction. In addition, the Group endeavors to improve the "Human Power" of employees which is very important for them to provide value to customers in selling intangible products such as insurance products and services.

The three elements that make up "Human Power"

1. "Abilities as Professionals"
2. "Energies"
3. "To think and act always by putting yourself in the other party's shoes"

Initiatives to Raise Awareness of Human Rights

Every year, each member company of the Tokio Marine Group holds

human-rights training in the workplace, in which all employees and other coworkers take part. In addition, in seeking to achieve a comfortable workplace, the Group carries out preventive and enlightenment activities regarding sexual harassment and other forms of harassment, on the motto of "Never do it, Never let anyone do it, and Never overlook it."

Numbers of employees in the Tokio Marine Group (on a consolidated accounting basis in the quarter ended March 2008)

Total number of employees	24,959
Total at Group member companies in Japan	21,609 Male: 12,267; Female: 9,342
(Tokio Marine & Nichido)	15,263 Male: 8,704; Female: 6,559
Total at overseas Group member companies	3,350 (Asia: 1,649; Americas: 1,164; Europe: 409; Other: 128)

Basic employee data (at Tokio Marine & Nichido as of the end of March, 2008)

Average age	40.2
Average years continuously employed	10.6
Average salary	approx. 8,510 thousand yen

Employing Diverse Human Resources

Promoting Diversity

The Tokio Marine Group works to build up a workplace in which a diverse group of motivated employees can thrive by demonstrating their abilities to the maximum extent, regardless of gender, nationality, age, or other attributes.

In addition to promoting the employment of people with disabilities, providing increased opportunities for female employees to be active, and providing fields in which older employees, with their wealth of knowledge and experience, can thrive in the workplace, the Group works to promote diversity throughout its entire organization, including overseas workplaces, through initiatives to enhance career development opportunities for active employees of the Group member companies around the world.

Promoting and Firmly Establishing the Employment of the Disabled

The Tokio Marine Group works aggressively to promote the regular employment of people with disabilities. Through regular meetings between employees with disabilities and counselors, in addition to the promotion of hiring people with disabilities, Tokio Marine & Nichido makes efforts to establish places firmly for people with disabilities within the company, by eliminating both operational and physical barriers. The percentage of Tokio Marine & Nichido employees with disabilities has exceeded the legally required percentage since March 2001, reaching 1.85% as of March 31, 2008. In the future as well, the Group will conduct a variety of initiatives to promote its aim of being a Group of companies that broadly welcomes people with disabilities, not limiting such initiatives to the mere achievement of the legally required percentage.

Increased Opportunities for Female Employees to Be Active

The Tokio Marine Group considers that the construction of a work environment in which motivated and capable employees with diverse capabilities can demonstrate their skills to the maximum extent regardless of gender is an important part of raising the level of services provided to customers. For this reason, it has been making aggressive efforts to "provide increased opportunities for female employees to be active." As of July 1, 2008, the Group had 137 female managers, including 12 General Managers in the whole Group companies.

Tokio Marine & Nichido proceeds aggressively with initiatives to construct a workplace in which women can be active, based on the 3 pillars of developing career orientation among female employees, strengthening their management abilities, and developing various related human-resources systems. In FY2007, it released the "Career Vision Edition of the HR Development Guide" to all offices, as a tool for helping employees think about career development on their own.

Numbers of female managers (for the entire Tokio Marine Group in Japan, as of July 1, 2008)

Insurance business	Tokio Marine & Nichido	59
	Nisshin Fire	13
	Tokio Marine & Nichido Life	3
	Tokio Marine & Nichido Financial Life	20
	Millea Nihon Kosei SS Insurance	7
Other businesses	Group total (Japan only)	35
Total		137

System for Continued Employment for the Elderly

The Tokio Marine Group considers actively promoting the employment of elderly members to be an important management issue in maintaining the sustainable growth of the Group as a whole. In addition to encouraging continuous self-advancement and changes in consciousness and behavior on the part of its employees themselves, it intends to provide fields of activity in which employees can utilize their past experiences and strengths to generate new added values while maintaining high levels of motivation.

Numbers of employees using the system for continued employment (FY2007)

Tokio Marine & Nichido	123
Nisshin Fire	31
Tokio Marine & Nichido Life	5
Total	159

Seeking to Develop a Team of "Safety and Security" Professionals

Evaluation System

The Tokio Marine Group seeks to make employees' work more rewarding through transparent and fair personnel evaluations.

Tokio Marine & Nichido has adopted a role-based grading system according to employees' roles and the localities in which they work. The company conducts evaluations on the bases of "roles," "competency," and "performances." In addition, it has clarified the requirement that employees should be evaluated appropriately in accordance with the performance of appropriate operational duties.

Employee Training/Skill Development System

Considering human resources to be the origin of customer satisfaction and our competitiveness, each Group member company of the Tokio Marine Group maintains various training and education programs and human-resources systems suited to the attributes of its own business.

To improve the skills of its employees, Tokio Marine & Nichido holds competency and career-development interviews between supervisors and their subordinates 3 times a year, to share information on subordinates' strengths and weaknesses and conducts dialogs between them on yearly HR development plans, covering on-the-job training, off-the-job training, and self-development efforts.

In addition to a wide range of training activities, including Rank-Specific Training, Optional Training, and Specialization Training, as well as providing e-learning services that employees can use from their own home computers and other distance-learning opportunities, the company also offers an External Qualification Support System to help employees earn external qualifications. In addition, it actively sends employees to training at business schools, law schools, and other institutions both in Japan and around the world, to develop human resources equipped with broad-ranging perspectives, international sensibilities, and high levels of specialized knowledge.

It also works to enhance the career development of employees of the Group member companies overseas, through efforts including group training in their own countries and in Japan.

Job Request System

Tokio Marine & Nichido has implemented the "Job Request System" as a key system for maintaining and expanding the energies of its employees. Through this system, it works to enable employees to transfer into positions they desire, to the degree possible. This system includes internal recruiting, in which employees apply for positions indicated in advance, and area selection*, intended to increase opportunities for female employees to be active in the company. Each of these leads to increased motivation and improved work skills by enabling employees to take the initiative in choosing their own positions. Nisshin Fire and Tokio Marine & Nichido Financial Life have developed similar internal recruiting systems as well.

* This consists of "U-turn" transfers (in which regional employees not subject to relocation can be relocated temporarily to take on the challenge of employing their own aptitudes in jobs not available in their own localities, on condition that they should return to their original localities after the temporary relocation) and "I-turn" transfers (in which regional employees not subject to relocation can continue working after changing localities due to reasons such as marriage or a spouse's relocation).

Job request system (Tokio Marine & Nichido)

Fiscal Year	Applicants	Approval
FY2007	190	75
FY2008	212	79

Note : Each number of applicants and approvals contains both data of "U-turn" and "I-turn" transfers.

Support for Work/Life Balance

Diverse and Flexible Styles of Working

In response to changes in the environments faced by families and local communities, the Tokio Marine Group has been working to achieve harmony between work and life, from the perspective of building up an environment in which employees respect each others' diverse values. As an initiative to support diverse and flexible working styles, the Group has established a range of systems including nursing care leave and volunteer work leave. The "I-Turn System" under Tokio Marine & Nichido's Job Request system has also been designed in consideration of flexible working styles.

Number of employees taking nursing care leave and using the I-turn system (Tokio Marine & Nichido)

	FY2006	FY2007
Nursing care leave	9	9
I-turn transfers	22	33

Note : See p. 37 concerning the number of employees taking the system of volunteer work leave

Enhancing the System for Supporting Maternity and Childcare

In light of the rapid progress of the aging of Japanese society due to low birth rates, each member company of the Tokio Marine Group considers it important for companies to implement dynamic systems for supporting employees caring for children. As such, each company has implemented proactive initiatives such as the diversification of employment and working styles. Among these initiatives, Tokio Marine & Nichido has established a system for supporting maternity and child care, consisting of "8 packages of full childcare support."

Performance of "8 packages of full childcare support" (Tokio Marine & Nichido)

System	FY2006	FY2007
Female Staff Rehiring System	31 people	17 people
Maternity Leave System	103 people	119 people
Childcare Leave System	158 people (including 7 males)	190 people (including 12 males)
Short Working Hours System	79 people	122 people
Substitution by Full Time Employees	—	—
Resumption of Work Support System	—	—
Support of Use of Babysitters	—	—
Partnered Childcare Centers	approx. 1,000 centers	approx. 1,000 centers*

* As of April 2008

Building a Lively Workplace

Health Management

Each member company of the Tokio Marine Group has been making efforts to build up an environment in which employees can work with enthusiasm, by providing both physical and mental care for its employees through services such as medical examinations and counseling.

Tokio Marine & Nichido carries out a wide range of measures centered on the Health Management Offices and Health Consultation Offices established at the Head Office and 45 departments and branches across Japan and has maintained an actual rate of 100% of its employees undergoing medical examinations since 1992.

With regard to mental-health care, in addition to care provided by industrial health staff inside the company, Tokio Marine & Nichido provides a system that makes it easy for employees and their families to use consultation services, in cooperation with outside counseling offices. Nisshin Fire, Tokio Marine & Nichido Life, and Tokio Marine & Nichido Financial Life have also been working to deepen the understanding of mental-health matters through holding mental-health training.

Sound Labor-management Relations

The Tokio Marine & Nichido construct strong relationship of trust by the labor contracts concluded between the company and its labor union (with approximately 14,000 members). The company conducts repeated negotiations and consultations with its labor union about from payroll and human-resources systems and workplace health and safety to management policies, through means such as joint labor-management conference held nearly 50 times.

Communication with Employees

Direct Dialog between Employees and Executives

With the goal of enlivening communication between employees and executives, since FY2006 Tokio Marine & Nichido has held offsite meetings known as "Wednesday dialogs." In FY2007, 8 sessions were held in total, at the head office and in Chiba, Kanagawa, and Nagoya. A total of 400 people took part in these dialogs, which featured the frank exchange of opinions between employees and executives.

In addition, in FY2007 President Shuzo Sumi has participated in dialogs with a total of 2,360 employees through his visits to the front

lines of business, and a total of 628 persons have taken part in the "Free Talks" in which executives in charge of the service departments visit the front lines.

Each of these programs has been evaluated highly as leading to improvement in motivation through the direct communication of management's thoughts and the directions in which the company is moving.

《Comment from an Employee Participating in "Wednesday Dialog"》

The Wednesday dialog was a very valuable opportunity for me to exchange opinions frankly with executives, with whom we have the rare opportunity of exchange opinions, in a cozy atmosphere in which all people on both sides were able to express themselves freely. In addition, the session was very stimulating because I was able to listen to ways of thinking and get advice from people in management positions, as well as employees from other sections who have different views. I was strongly impressed that we all are united with each other in the same thought of making Tokio Marine & Nichido a better company to work for, and I felt encouraged to do my best to work toward a bright future.



Shinichiro Ito,
Assistant Manager,
Saitama Automobile
Industry Production Dept. I,
Tokio Marine & Nichido

Relations with Local Communities and Societies

The business activities of the Tokio Marine Group are founded on the support of members of local communities, including customers and agents. To continue coexistence with local communities and societies, the Group has been carrying out a wide range of social contribution activities in locals around the world.

<p>▶ Issues and targets in FY2007</p> <ul style="list-style-type: none"> ■ Promoting activities to contribute to local communities and societies (enhancing joint initiatives between the Group member companies) ■ Advancing proactive participation in voluntary mangrove-planting activities (February 2008: Thailand) 	<p>▶ Initiatives and progress in FY2007 (main points)</p> <ul style="list-style-type: none"> ■ Carried out social contribution activities in each country and each region, including "Green Lessons" and the Pink-ribbon Campaign ■ Held the voluntary mangrove-planting activities by employees and agents (and their families) (February 2008: Thailand)
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The Tokio Marine Group's Social Contribution Activities

The Tokio Marine Group carries out social contribution activities centered on "protection of the global environment," "safety and security," and "growth of young people," supporting activities conducted in each locality and activities conducted by individual employees on a voluntary basis.

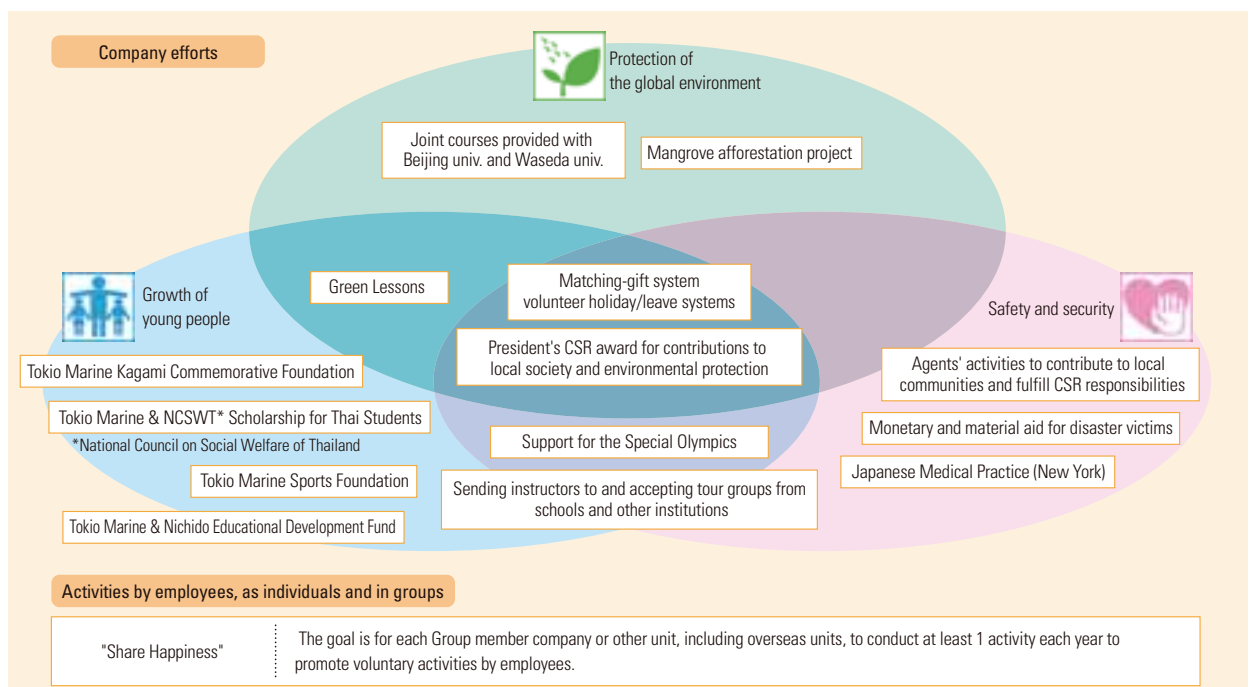
Key personnel for social and environmental activities are appointed at Tokio Marine & Nichido and its subsidiaries and at other key member companies of the Tokio Marine Group, with responsibility for promoting social contribution and environmental protection activities within the Group. In addition, such activities are promoted by maintaining various support systems and through cooperation with nonprofit organizations.

At Tokio Marine & Nichido, each of departments, branches, overseas facilities, the Group member companies, and agents is encouraged to carry out at least 1 activity each year under the "Share Happiness" program for promoting contributions to society and protecting the global environment. In FY2007 169 departments, branches, and companies carried out a total of 254 social-contribution activities under this program.

■ Breakdown of disaster aid (Tokio Marine Group)(recipients of aid noted in [])

Total amount: 49,876,636 yen (total contributions from companies, employees, and agents)
·Donations, provision of emergency supplies, and dispatch of doctors to areas struck by the Chuetsu Offshore Earthquake [Chuetsu Offshore Earthquake relief fund, Central Community Chest of Japan]
·2008 Sichuan earthquake in China: Donations and emergency medical-care consultation [Red Cross Society of China], etc.

■ Overview of social contribution activities (Tokio Marine & Nichido)



* **Climate change** indicates an initiative to respond to climate change and global warming. Please have a look at "Special Feature 2: Taking on the Challenge of Climate Change" (pp.12-13) for details.

Overview and performance of support systems (Tokio Marine & Nichido)

System	Summary (top) and FY2007 performance (bottom)
Volunteer Activity Financial Support System	A system for providing financial support to nonprofit and other organizations at which employees work as volunteers 13 cases, for a total of 1,300,000 yen
Matching gift system	A system under which the company matches the amount of donations made by employees on their own 29 cases, for a total of 2,176,928 yen
System of providing time off for volunteer activities	A system of supporting employees' volunteer activities by providing them with the time they need 159 persons

Social Contribution Activities Conducted through Core Business Activities

Teaching of Insurance in Junior High-schools, High-schools, and College Students, and their Teachers

In order to deepen the understanding of the insurance business in the aspects of its social roles, duties, etc., Tokio Marine & Nichido has held a course for 14 school teachers and 46 junior high-school and high-school students on the mechanism of insurance, services provided to customers, the company's concept of human resources development and others. The comments we received from them include "I would like to use what I learned through this experience in my own educational activities (a teacher)," and "I feel I got a better understanding of insurance when we were assigned to create our own pamphlets on insurance (a student)." In addition, Tokio Marine & Nichido's Aomori Branch has held a course on the theory of insurance at Aomori Public College each year since 1996, teaching approximately 2,000 students in total through today. The course is taught by employees from the front lines of the business in sections such as those in charge of production and claims services, who explain the nature of insurance in an easy-to-understand manner.



A pamphlet on insurance created by junior high-school students

Campaign for "Home of Dial 110 for Kids" and "Vehicle of Dial 110 for Kids" Activities together with Agents

To assist in crime prevention in its community, several branches of Tokio Marine & Nichido started activities to use its offices and sales vehicles as "Home of Dial 110 for Kids" and "Vehicle of Dial 110 for Kids," respectively. This program serves to provide children with safe places to go if they feel they are in danger, as well as means of contacting the police, their parents or guardians, their schools, or other authorities.

When the Tokushima Branch asked local agents for participation, it received the support of a large number of agents, and as of May 2008 a total of 53 offices, homes, and other buildings and 161 vehicles had been registered for the program with the local police. In this way, these activities are helping achieve "safety and security" in the community. One participating agent commented, "We feel that we are playing important roles in protecting the safety of local children."



"Home of Dial 110 for Kids" signboard over the entrance

Initiatives for Traffic Safety

The nonprofit organization All Kyushu Help Network was organized voluntarily by agents wishing to provide "safety and security" to people in local communities by using the knowledge and network of agents." Based on the theme of "safe bicycling," it holds traffic-safety courses across Kyushu and supports activities such as prefectural traffic-safety educational activities.

Providing Japanese-language Medical Services in the United States

Since 1990, Tokio Marine & Nichido has provided medical services in Japanese in the Japanese Medical Practice outpatient clinic for Japanese persons established in cooperation with New York City's Beth Israel Medical Center. In 2008, the Japanese Medical Society of America (JMSA), whose activities revolve around the medical staff of the Japanese Medical Practice, won an award from the Minister of Foreign Affairs for its efforts. The JMSA conducts a number of voluntary activities, including holding health seminars in the New York area and providing medical consultation services. The activities are considered to be making substantial contributions to promoting friendly relations between Japan and the United States.



A scene from the health seminar

Social Contribution Activities in Each Country and Region

Supporting the Special Olympics

Since November 2005, Tokio Marine & Nichido has supported Special Olympics Nippon as an official sponsor. In March 2008, the 4th Special Olympics Nippon National Winter Games in Yamagata were held, with a total of 46 employees to volunteer to help run the Games.



Charity Auction Held in Vietnam

In March 2008, Tokio Marine Asia, which oversees the Tokio Marine Group in the Asia region, held a charity event at the top management conference attended by top managers from the Group member companies in Asia. The event was organized jointly with the Group's Vietnamese subsidiary. This event featured an auction of works of art drawn by children at the SOS Children Home* in Ho Chi Minh City. The total of US \$3,171 (approximately 330,000 yen) raised through this auction was donated to 25 children at the SOS Children Home.



A scene from the charity event

* Facilities that raise children including those who cannot live with their parents for family reasons, abandoned children, and orphans.

Supporting the Pink-ribbon Campaign

As part of the Pink-ribbon Campaign*, Tokio Marine & Nichido Life has contributed collected donations to the nonprofit organization J. POSH as funds for purchasing mammography equipment. By combining these donations with other funds such as those from the J. POSH Pink-ribbon Fund, J. POSH purchased 1 mobile mammography exam clinic, which it donated to Kanagawa Prefecture in March 2008. Leased to Kanagawa Healthcare Service Association, the vehicle is used in mammography exams conducted by the municipalities. Covered in children's drawings collected on the Pink-ribbon theme, the vehicle also is used for purposes such as encouraging women to undergo mammography examinations.



The mobile mammography exam clinic donated to Kanagawa Prefecture

* A campaign intended to communicate the importance of early detection of breast cancer

Social Contribution Activities Conducted via Foundations

Tokio Marine & Nichido promotes social contribution activities via 3 foundations, with goals such as "helping young people grow," "encouraging international cultural exchange," and "promoting sports in the local community."

Overview and performance at each foundation

Foundation	Summary	FY2007 activities
Tokio Marine Kagami Commemorative Foundation	Provides scholarships to students at Japanese universities and graduate-school exchange students from ASEAN nations	Provided a total of approx. 45.1 million yen to 75 new and existing recipients, in addition to other activities
Tokio Marine Sports Foundation	Promotes sports activities in local communities	Nasu Sports Park used by: 28,889 people Toda Boathouse used by: 6,665 people
Tokio Marine & Nichido Educational Development Fund	Provides assistance for education and to children orphaned through traffic accidents	Financial assistance provided to educators for education and research: 190 cases Scholarships for education of children orphaned through traffic accidents provided to: 278 people

Educating Society about the Environment, and Raising Awareness

Climate change

"Green Lessons: The Mangrove Story" Staged Nationwide

Tokio Marine & Nichido has prepared an environmental education program targeted at elementary school students in Japan, based on the theme of preventing global warming. This program goes around schools where classes are held under the lead of employees, agents, and others serving as instructors.

This program began in 2005. Through March 2008, approximately 8,000 students and other children had taken part in the course, held at approximately 115 elementary schools and schools for students with special needs across Japan.

The course deals with the various effects of mangrove trees and the company's recycling activities as subjects, creating opportunities for children to think about the importance of environmental protection and take action to protect the environment, by showing them beautiful videos of mangroves and telling them stories of the employees and agents who volunteered to participate in the mangrove afforestation project. Comments received from children who took part in this course include, "The mangrove is such a strong tree." and "We need to do something to protect the earth, too."



A scene from the course at Ota Ward's Magome Dai-ni Elementary School in Tokyo

The 9th Volunteer Tour of the Mangrove Afforestation Project

Tokio Marine & Nichido holds volunteer tours to plant mangrove trees once or twice each year. Seeking volunteers from among the Tokio Marine Group employees, agents, retired employees, and their families, this program provides opportunities for environmental education and international cultural exchange. The 9th volunteer tour, held in FY2007, took 41 participants to Ranong, Thailand, where they planted 25,000 trees in 3 days.

Public Lecture Held at Beijing University

With the goals of supporting sustainable development in China and human resources development in both Japan and China, from 2005 to 2007, Tokio Marine & Nichido has cooperated in courses offered jointly by Beijing university and Waseda university. In FY2007, the final year of the program, the subject of the course was "finance and the environment." Attended by the general public as well as Beijing University students, the course attracted considerable attention. In March 2008, the program concluded with a closing symposium attended by large numbers of Beijing University postgraduate students, researchers, government representatives, and members of the media. Chairman Kunio Ishihara closed this symposium, saying "We would like to continue contributing to the sustainable development of China in future."



A scene from the closing symposium

Participation in International Initiatives

Climate change

The United Nations Environment Program Finance Initiative (UNEPFI) is a partnership of approximately 160 financial institutions from around the world, working toward a desirable balance between the domains of finance, the environment, and sustainability. Tokio Marine & Nichido signed on to the initiative in 1997. Since 2005, Tokio Marine & Nichido has been the only participant representing Asia in UNEPFI's Insurance Working Group (IWG), in which it joins other participants including the world's leading insurers and reinsurers in researching and studying subjects including a sustainable society and insurance.

The Carbon Disclosure Project (CDP) is a project established through the cooperation of institutional investors from around the world, demanding that key companies around the world disclose information on their responses to the issue of climate change. Tokio Marine & Nichido has participated in this project since 2005. In the 2007 survey, 315 institutional investors from around the world (investing approximately \$41 trillion in total) sent questionnaires to leading companies around the world.

▶▶▶ Topics Volunteering to Improve the Forestry Environments together with a Nonprofit Organization

Working together with the nonprofit organization Never-ending International Workcamps Exchange (NICE), Tokio Marine & Nichido has carried out programs in which employees, agents, and their families work to improve the forestry environments in 3 locations in Japan: Tokyo, Osaka, and Gifu Prefecture. To protect the greenery in their localities, all participants work together on tasks such as repairing walkways and thinning plant growth, enjoying themselves as they work up a pleasant sweat in the open air.



Repairing a mountain path on Mount Kinka (Gifu Prefecture)

《Comment from the nonprofit organization》
I think this program has been a good opportunity to think about the environment and to develop an interest in our local communities. I also heard members of the local host organizations make comments such as, "I am glad participants were able to learn about the actual conditions of the local environment." We look forward to the continued proactive participation of Tokio Marine & Nichido employees.

Miwa Anagama,

Never-ending International
Workcamps Exchange (NICE)

Protection of the Global Environment

Aiming to achieve harmony with the environment, the Tokio Marine Group has been promoting initiatives to reduce an environmental impact from its business activities, as well as initiatives to purchase energy from natural resources and engage in afforestation activities outside of its offices.

▶ Issues and targets in FY2007	▶ Initiatives and progress in FY2007 (main points)
<p>[General response to climate change]</p> <ul style="list-style-type: none"> Promoting initiatives related to the prevention of global warming (including climate change) 	<ul style="list-style-type: none"> Carried on researches into and studies of business risks related to global warming, centered on the Tokio Marine Research Institute Formulated an integrated global warming program (November 2007) (Tokio Marine & Nichido)
<p>[Reducing environmental impact]</p> <ul style="list-style-type: none"> Reducing an environmental impact (electricity, natural gas and gasoline, paper, waste products, etc.) Promoting green purchasing Expanding the scope of the environmental management system (EMS) 	

The Tokio Marine Group's Promotion of Environmental Management Climate change

Promotive Structure

The Tokio Marine Group promotes initiatives for environmental protection based on the "Tokio Marine Group CSR Charter." At Tokio

Marine Holdings, the CSR Board and the board of directors formulate and monitor groupwide plans related to the protection of the global environment. Key personnel for promoting social and environmental activities are appointed at key member companies of the Group. These personnel work on the promotion of environmental protection activities within each company and between the Group member companies.

■ Environmental Philosophy / Environmental Policy of Tokio Marine & Nichido

Environmental Philosophy

Adopting the conservation of the global environment as one of its key management policies, Tokio Marine & Nichido recognizes that it is an important responsibility of all humans and companies in the present world to protect the environment. Tokio Marine & Nichido commits to taking up the task of bringing about a society where sustainable development is maintained through the efforts of all employees throughout the entire range of our business activities, in order to improve and keep harmony with the environment.

Environmental Policy

Tokio Marine & Nichido has established the following policies and will make every effort to realize them in all areas of its activities.

- 1 **Preservation of the Global Environment through the Insurance Business**
- 2 **Effective Use of Resources and Energy**
- 3 **Compliance with Environmental Laws and Regulations**
- 4 **Continuous Improvement of the Environment and Prevention of Pollution**
- 5 **Promotion of Environmental Awareness-raising and Philanthropic Activities**

The above policy will be made well-known to and understood by all employees and released to the public. (October 1st, 2004)

* Please have a look at the chapter on "Relations with Customers" (p.28) concerning environmental products and services and the chapter on "Relations with Local Communities and Societies" (pp.38-39) concerning environmental education and awareness activities.

* Climate change indicates an initiative to respond to climate change and global warming. Please have a look at "Special Feature 2: Taking on the Challenge of Climate Change" (pp.12-13) for details.

Continuous Operation of the Environmental Management System

Since FY1999, the Head Office of Tokio Marine & Nichido has adopted an environmental management system based on the ISO14001 environmental management standard. Tokio Marine & Nichido Facilities has adopted the system since FY2006. The companies have been making efforts to promote and continuously improve their initiatives for the protection of the global environment through the implementation of the plan-do-check-act (PDCA) cycle. Each of the departments not located at the Head Office and branches of the Tokio Marine & Nichido, and member companies of the Tokio Marine Group has introduced a unique environmental management system of its own ("Green Assist") and has been making efforts centered on reducing the environmental impacts from its business activities, ensuring thorough compliance with environmental laws and regulations, and carrying out internal environmental enlightenment activities. Internal and external audits based on ISO14001 have detected no major problems, and no violations of environmental laws, regulations, or other rules. In addition, no complaints from customers regarding the environment have been filed with us.

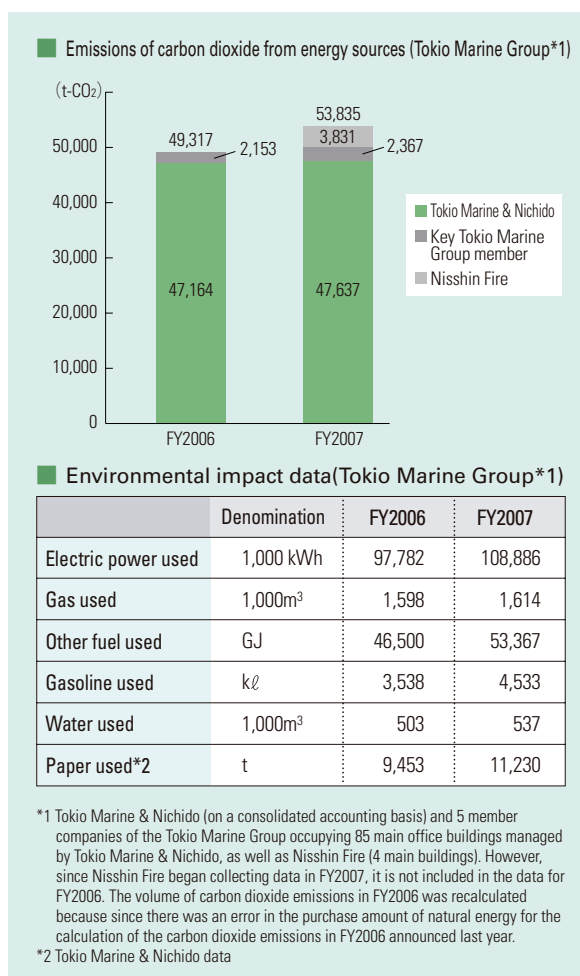
Once each year, Tokio Marine & Nichido conducts basic environmental training based on ISO14001 and, in addition, makes efforts to raise the awareness of environmental issues among the employees and agents by distributing, for example, environmental news through the company intranet.

Reducing the Environmental Impact of Business Activities

Each member company of the Tokio Marine Group has implemented the renovation of its office facilities according to energy conservation plans and promoted the eco-friendly driving of the company-owned vehicles. Due, however, to climate conditions and the expansion of the scope of collecting data on environmental impacts, the emissions of carbon dioxide by the Group companies in total exceeded the level in the previous year. Also, despite efforts made by Tokio Marine & Nichido to promote double-sided and reduced-size printing, electrify books and slips and use CD-ROMS, increases in the printing of reference materials related to ensuring appropriate business operations and of documents addressed to customers resulted in a substantial augmentation in the use of paper.

Environmental Accounting

In FY2007 Tokio Marine & Nichido invested approximately 37 million yen in connection with the protection of the global



FY2007 environmental-impact reduction targets and performance (Tokio Marine & Nichido*3)

Subject	FY2007 target	FY2007 performance
Carbon dioxide emissions	No change from previous year	47,637 tons of carbon dioxide (101.0%)
Volumes of electric power used	Year-on-year decrease of 2% or more	94,163,000 kWh (103.0%)
Volumes of natural gas used	No change from previous year	1,407,000 cubic meters (98.8%)
Volumes of other fuels used	No change from previous year	53,367 GJ (120.1%)
Volumes of gasoline used	Year-on-year decrease of 1% or more	3,198 kl (90.4%)
Volumes water used	No change from previous year	468,000 cubic meters (101.5%)
Photocopier paper purchased	No change from previous year	1,737 tons (111.6%)
Final waste disposed of *4	Year-on-year decrease of 2% in final ordinary waste disposed of	1,326 tons (84.5%)
Percentage of green stationery purchased	66% or higher on a monetary base	70.7%

*3 Consolidated accounting basis

*4 Data for Tokio Marine & Nichido occupying 8 main buildings managed by Tokio Marine & Nichido and 5 member companies of the Tokio Marine Group

Methods of calculating environmental-impact data

- Volumes of paper used, photocopier paper purchased, gas consumed, final waste disposed of, and percentage of green stationery purchased are based on actual performance data.
- Volumes of electric power, natural gas, and other fuels used and of water used have been calculated based on percentages of floor area used in the 85 main buildings managed by Tokio Marine & Nichido and the 4 main buildings of Nisshin Fire (not including areas occupied as tenants).
- Carbon dioxide emissions coefficient: For natural gas, gasoline, and other fuels emissions coefficients pursuant to the "Calculation, Reporting and Publication System for Greenhouse Gas Emissions" have been used, and for purchases of electric power and natural energy, emissions coefficients from power suppliers have been used.

environment, primarily for construction intended to conserve energy and water in its office buildings and for the purchase of emissions rights. Environmental expenses totaled approximately 380 million yen, primarily for such purposes as costs of outsourcing waste processing, costs of operating environmental management systems, and costs of social activities such as mangrove afforestation and Green Lessons.

As a result of the measures taken for environmental protection, the company reduced its volume of gas used by 17,000 cubic meters and its final amount of ordinary waste disposed of by 0.2 tons. In the future as well, it will work to improve these indicators to make them more effective, by expanding the scope of data collected and increasing precision.

Environmental-protection Activities of the Tokio Marine Group Climate change

Efforts to Prevent Global Warming

Tokio Marine & Nichido participates in "Team Minus 6%," a citizens' movement in Japan working to prevent global warming. Under this program it carries out practical activities intended to reduce the volume of office energy used, such as setting the air conditioners at an appropriate temperature and turning off the lights in the offices during the lunch break. The company also makes efforts to reduce the use of gasoline by the company-owned vehicles for sales activities by promoting ecologically sound driving.

In addition to reducing carbon-dioxide emissions through self-help efforts such as these, since 2002 the company has purchased energy from natural sources, such as wind power. In FY2007 it purchased 1 million kWh of such natural energy. This corresponds to approximately 1% of the electrical power used by Tokio Marine & Nichido during FY2007.

Environmental Considerations at the New Company Building in Singapore

The Tokio Marine Centre now being constructed in Singapore to house the offices of Group member companies (planned for completion in April 2010) was awarded a Gold Plus, an exceedingly high level of evaluation under the Green Mark which the Singaporean authorities* give to eco-friendly buildings. The Tokio Marine Group was highly appreciated for its initiatives to protect the environment, by having realized the power saving of about 25% over the standard through the use of energy-saving air conditioners and lighting equipment, the saving of water through the use of rainwater and the planting of abundant greenery on the site.

*Building and Construction Authority

Mangrove Afforestation Project

Tokio Marine & Nichido began a mangrove afforestation project in Southeast Asia in 1999. In the 1st phase of this project through FY2003 it planted 3,444 hectares of forests. Today, the 2nd phase of this project, with the goal of planting a further 2,000 hectares of forests, is underway in 6 countries: the 5 nations of Southeast Asia, plus Fiji. The project is proceeding smoothly, having largely achieved its goal by March 2008. This project is being implemented in partnership with the nongovernmental organizations Action for Mangrove Reforestation (ACTMANG) and OISCA.

Mangrove trees can help prevent global warming by absorbing large volumes of carbon dioxide and can serve as bulwarks to protect people from tsunamis and other hazards. In the tsunami that occurred in the Indian Ocean as a result of the earthquake off the coast of Sumatra in December 2004, villages located behind the planted mangroves were protected from the tsunami. In addition, by providing fishery and forestry resources essential to local residents' lifestyles, mangrove trees contribute to achieving sustainable development in the areas in which they are planted, in addition to stabilizing and improving peoples' living environments.

Tokio Marine & Nichido has declared its intention to continue this mangrove afforestation project, which protects both the earth and people's lifestyles, for 100 years.

Project phases and mangrove afforestation performance

	Project phase (FY)	Afforestation performance (ha)
Phase 1	1999-2003	3,444
Phase 2	2004-2008	1,957 (through FY2007)

Afforestation targets and performance (in hectares) in phase 2 of this project



[Web](#) Tokio Marine & Nichido "mangrove-world"

▶ Comment from a Third Party



Yusuke Nakajo

Brief personal history

March 1992: Graduated with a Doctorate Degree from the Graduate School of Commerce and Management, Hitotsubashi University. Appointed a full-time lecturer in April 1992, an Assistant Professor in April 1993, and a Professor in August 2004 in the Faculty of Economics and Business Administration at Yokohama City University. With reorganization of the university in April 2005, was appointed a Professor in the International Graduate School of Arts and Sciences.

Currently serves as a member of the Segment Reporting Technical Committee of the Accounting Standards Board of Japan, the Securities Analyst Testing Committee, and other organizations.

Primary academic society memberships: Member of the Japan Accounting Association, director of the Japanese Association for Research in Disclosure, and director of the Japan Academic Society of Investor Relations.

Primary publications: Author of *Mukei Shisan no Kaikei* ("Accounting for Intangible Assets," co-author, 2006), *Renketsu Kaikei to Gurupu Keiei* ("Consolidated Accounting and Group Management"; co-author, 2004), and other publications.

Areas of specialization: accounting, disclosure theory.

The "CSR Report 2008" is the first report since "Millea Holdings, Inc." changed its name to "Tokio Marine Holdings, Inc." in July of this year. The content of this report transmits vividly the firm determination of the Tokio Marine Group, which has taken a new step forward with this change, to make energetic progress toward fulfilling its corporate social responsibility.

First, I would like to look into improvement in the matters pointed out in the previous fiscal year's report. The greatest topic of concern in last year's report was how well the Group would be able to recover the trust lost in connection with cases of failing to pay claims. It is reported that the Group has carried out a thorough analysis of the causes of those cases and has taken initiatives to prevent the reoccurrence of such matters. In addition, "improving the quality of operations in the insurance business in Japan" has been identified as a key issue for this fiscal year. The matter is covered in detail in 8 pages of this report (in Japanese). The identification of problems to be solved also conveys the Group's determination to overcome them thoroughly.

I understand that the Group is more resolved than before to listen to opinions from a broad range of people outside the Group and incorporate them in its policy-making, instead of relying on the Group's perspectives alone. This attitude of the Group is made clear in page 6 and the subsequent pages beginning with the "CSR Dialogs" and followed by "customers' comments" and "dialogs with employees and

agents." I felt that these pages made clear the Group's intention of not only incorporating outside opinions in its policy but also moving forward together with its stakeholders.

There is another key issue, that of "responding to climate change and global warming." I was favorably impressed with the attitude of seriously considering what the Group can do to combat the situation as insurers. Concerning the reduction of an environmental impact, this report is available not only in a paper form but in a paperless digital form as well. In addition, for details of information on related matters, addresses on the web-site are shown to avoid duplication with other reports. The total number of pages has been reduced from last year by avoiding duplication of content and displaying CSR results and annual plans together for the Group as a whole instead of separately for individual Group member companies, as had been done previously. I highly appreciate that the report clearly shows the CSR of the entire Group, while accomplishing the reduced use of paper.

In the future CSR activities of the Group, I would like the Group to upgrade them in the entirety of the Group by not only developing CSR as the Tokio Marine Group but also proceeding with CSR more aggressively than before as all companies of the Group on a global basis. In doing so, we definitely would like the Group to focus its activities on "CSR performance through its core businesses." When this has been attained, I am sure that the Tokio Marine Group has come close to the realization of ideal CSR it aims at.

* This comment has been composed based on the Japanese edition of "Tokio Marine Group Corporate Social Responsibility Report 2008."



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